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The NATIONAL UNDERWRITER

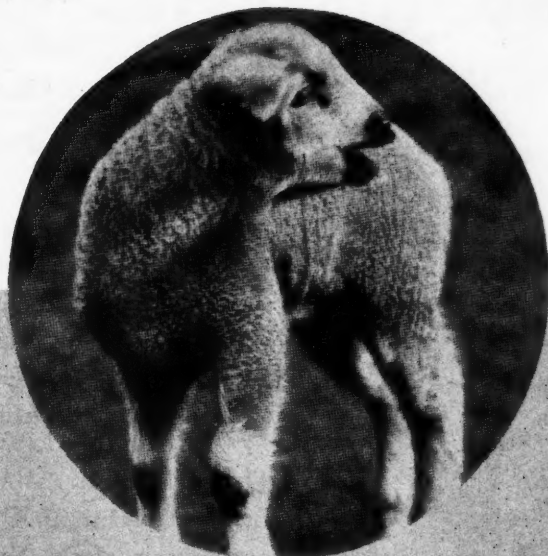
Life Insurance Edition

50TH ANNIVERSARY
MAY 21, 1937
MILWAUKEE, WIS.

INS. LAB.

B40

MAY 21 1937



How Your SPRING LAMBS
Might Save Your Farm!



Sounds impossible? It isn't though—it's the simple truth. Here's how it works:
No one on the farm can tell when he will die. If that should happen to you, your family would face the hardest years of their lives. There would be doctor bills to pay—probably hospital expenses. There might be payments on the mortgage to keep up—and other debts which would have to be settled. It would require immediate cash outlay to carry on the farm, and even then it would be some time before the folks could operate the farm at a profit—or lease or sell it on a fair basis.
During those first few years especially, the wife and boys would

need some ready cash—wouldn't they? And need it badly! The Northwestern Mutual has a plan that provides that ready cash for your family as it has for thousands of other farm families. So small an investment is required that it can be paid for out of your spring lamb money! That's why many farmers are investing some of their spring lamb money in Northwestern Mutual Life Insurance.
Under this plan your family would receive a check for at least \$50 every month for the first 3 years after your death. This is a cash income. And a sure one. Mail coupon for a complete explanation of this sensible plan. Put some of your spring lambs to work for the protection of your wife and children.

BP-5-27

FILL YOUR NAME IN HERE

The Northwestern Mutual Life Insurance Company
Milwaukee, Wis.

PAY 50 DOLLARS A MONTH FOR 3 YEARS
To The Order of My Wife
(OR TO MY OWN ORDER AT AGE 65)

Name _____
Address _____
City _____ State _____ Age _____

The Northwestern Mutual
LIFE INSURANCE COMPANY
A Billion Dollar Estate
MILWAUKEE, WIS.

SPECIMEN

The 80-year-old Northwestern Mutual is a purely mutual company furnishing life insurance at cost. It is also a large company—A Billion Dollar Estate—with more than 100,000 members in the farm field alone.

MORE SALES TO FARMERS

The farmer is a good life insurance prospect because his spendable cash income has increased tremendously.

Of direct help to its agents in rural territories is the Northwestern Mutual's consistent advertising campaign in SUCCESSFUL FARMING magazine. (Over a million farmer subscribers.)

Sales to farmers by Northwestern Mutual agents for the first quarter of 1937 are 14% greater than for the same period last year.

The ancient Romans believed that the welfare of the family depended on their household gods—Lares and Penates.

The Metropolitan advertisement in the June magazines* contrasts the certainty of modern Life insurance with the doubtful favors of these ancient gods.

Today, farsighted heads of families can make sure of future comfort and security. While the bronze figurines pictured in the advertisement belong only in museums, the modern Lares and Penates—Life insurance policies—belong in every home.

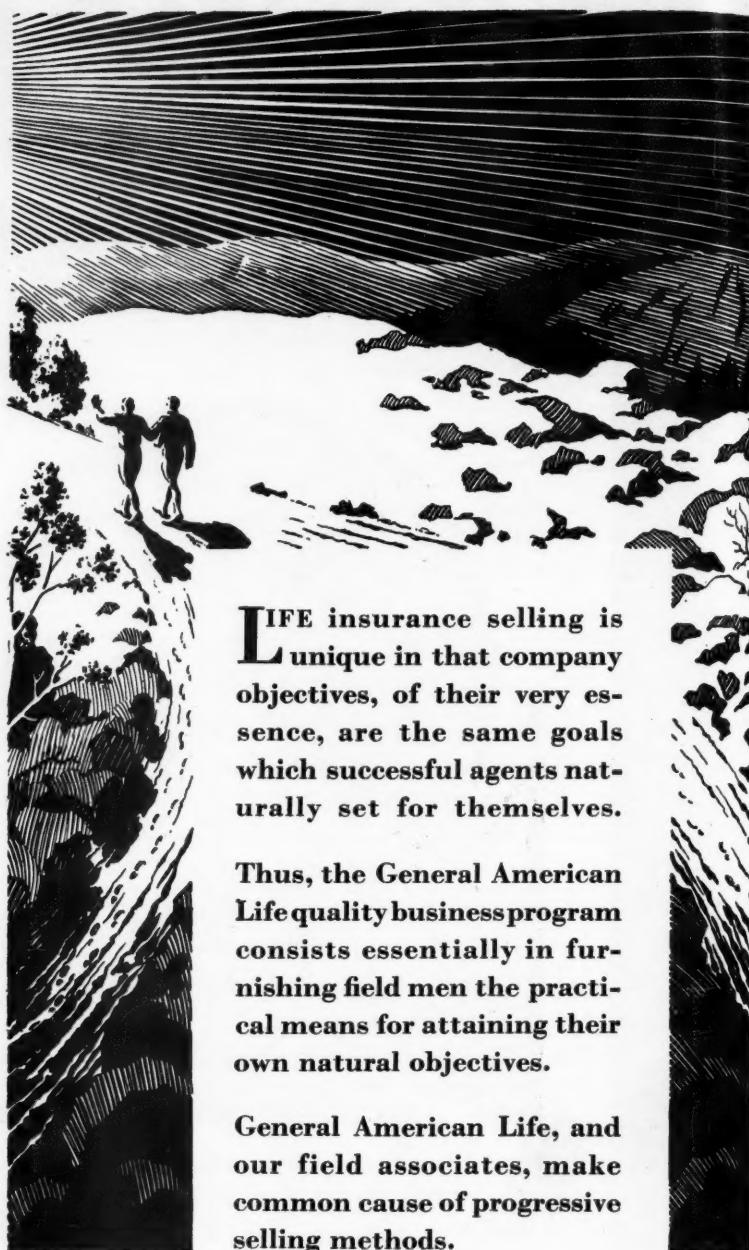
*Business Week, Collier's, Cosmopolitan, Forbes, Nation's Business, Saturday Evening Post, Time.



METROPOLITAN LIFE INSURANCE COMPANY

Frederick H. Ecker, Chairman of the Board
Leroy A. Lincoln, President

ONE MADISON AVE., NEW YORK, N. Y.



LIFE insurance selling is unique in that company objectives, of their very essence, are the same goals which successful agents naturally set for themselves.

Thus, the General American Life quality business program consists essentially in furnishing field men the practical means for attaining their own natural objectives.

General American Life, and our field associates, make common cause of progressive selling methods.

GENERAL AMERICAN LIFE INSURANCE COMPANY

WALTER W. HEAD President

SAINT LOUIS



The NATIONAL UNDERWRITER

Forty-first Year—No. 21

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, MAY 21, 1937

\$3.00 Per Year, 15 Cents a Copy

Agency Turnover Affects Volume

Linton Shows Value of Persistency
in Paper Presented Before
Actuarial Society

ANALYZES 7,000 RECORDS

Men with Good Showing on Three
Major Factors Produce 3½ Times
as Much as Poorer Ones

NEW YORK, May 20.—New agents with a low rate of turnover, high average production and good rate of persistency of business will yield about 3½ times as much insurance in force at the end of 10 years as compared with agents showing poor factors on all three counts, assuming that in each case the same number of new agents is recruited each year, M. A. Linton, president Provident Mutual Life, declared in his presidential address before the meeting here of the Actuarial Society of America.

"For example, if 100 men are recruited each year, the insurance in force at the end of 10 years will be \$345,000,000 in the first instance as compared with \$99,000,000 in the second," he said. "Or put it another way, if the company aims at say \$1,000,000,000 of insurance in force 10 years hence, resulting solely from the activities of the new agents put on during the next 10 years, the good factors will require the recruiting of only 290 new men each year as against 1,008 a year in the other case."

Should Improve Recruiting Technique

"One thought that immediately comes to mind in contemplating these figures is the favorable result from the point of view of the public if the desired amount of insurance in force could be achieved with less than 33 percent of the number of new agents in one case as compared with the other."

"When we consider the relative lack of skill of the new agent during the period in which he is striving to master the selling of life insurance, it is evident that few things would improve our public relations to a greater extent than would an improvement in the technique of recruiting new men and training them to be high grade life insurance field men."

"Another thought has to do with the real service we would be rendering the new recruits if we could discover the secret of weeding out those unfitted for the business before ever they take up the work and pursue their paths to failure, accompanied by loss of morale and inferior service to the insuring public."

Mr. Linton worked out various combinations of factors to show the influence of individual factors on the final results. The basis used was the number of new agents per year who must be recruited to attain a given volume of insurance in force 10 years hence.

These results showed clearly the im-

(CONTINUED ON PAGE 10)

Breakfast Meets Usher in Life Insurance Week

All America Benefits from Life
Insurance, Adams Declares
in Chicago

Ultimately life insurance underwrites the entire United States, Claris Adams, president Ohio State Life, said in his Life Insurance Week breakfast talk in Chicago, sponsored by the Chicago Association of Life Underwriters. The ultimate beneficiary of life insurance is all America. The last 40 years might as well be called the life insurance age as the machine age, for the institution has become one of the great social and economic factors. Only in the United States has the gospel of protection for the average household been pushed so zealously and vitalized by a host of agents who dedicated their lives to this work.

Great Economic Value

It would be impossible to visualize business and industry operating without benefit of life insurance money, said Mr. Adams. Life insurance provides a vast fund normally and naturally behind the basic business enterprises of the nation. Every dollar is put up against future contingencies. He emphasized that the economic value of the money so employed is twice as great as the financial value, for every dollar goes to keep families together, to save businesses, etc.

Stating he did not seek to disparage the relief, made work, social security and other projects of government, he said nevertheless the money must be raised by taxation; they are founded on "governmental largess," Mr. Adams said, while they provide great sums which go into the retail trade they do not build economic soundness as do life insurance funds which are invested, without which, he said, America could hardly finance any new development. Business and industry have come to lean on life insurance for long time money. Mr. Adams noted that governmental activities in the mortgage field have greatly reduced the outstanding amount of such loans held by life companies.

Place in Political Economy

But life insurance cannot be measured by the annual statement figures, he said. It has made a significant contribution to political order in the broadest sense.

"Every man who leaves money," he said, "commends the principle of capital and free initiative to his descendants. Life insurance embodies principles of free enterprise and democracy. Political independence is a shadow without substance unless the people are economically free. Life insurance is the greatest enterprise ever created to maintain the independence of those who otherwise would be enslaved."

He pointed that the life insurance institution since the depression started has paid out more than \$20,000,000,000, or equivalent credit, to policyholders and beneficiaries, or more than the govern-

(CONTINUED ON PAGE 12)

Good Will and Sensible Optimism
Stressed in New York
City

NEW YORK, May 20.—The tremendous opportunity offered producers to increase the public's good will toward life insurance was stressed by Joseph C. Behan, vice-president Massachusetts Mutual Life, at an enthusiastic "early bird" breakfast which inaugurated Life Insurance Week in New York City. Speakers at the huge gathering discussed the twofold purpose of Life Insurance Week—the building of good will and an increased production of business.

Life insurance is undoubtedly the most stabilizing economic force in the United States at the present time, declared Mr. Behan, pointing to the splendid record of life insurance in the last seven years. What would have happened had there been no life insurance to fall back on, he asked.

At the impressive roll call of oldest policyholders in New York City, James Elton Bragg, Guardian Life general agent, presented Mrs. Anna Hudtwalker, the oldest living policyholder able to attend the meeting. Her 91st birthday was the previous day. She has a policy taken out with the Guardian Life in 1869. Mrs. Hudtwalker spoke a few words expressing her appreciation of life insurance. Other policyholders between the ages of 95 and 100 were cited.

Sensible Optimism Needed

Chairman Clifford L. McMillen, general agent Northwestern Mutual, said that a "sensible optimism" is what is needed more than anything else today. There is a certain spirit of defeatism that has permeated through many fields

(CONTINUED ON PAGE 22)

Federal Official Opens Life Insurance Exhibit

WASHINGTON, D. C., May 20.—High praise of the life insurance institution and its vast accomplishments in the direction of social security was given by Ernest G. Draper, Assistant Secretary of Commerce, at a large gathering in the Department of Commerce auditorium which was attended by more than 1,000 persons, including government officials, and representatives of 20 or more foreign nations, whose flags were displayed over the rostrum. Mr. Draper's paper was read by N. H. Engle, assistant director, bureau of foreign and domestic commerce. This meeting opened an exhibit on Life Insurance Week conducted by the Department of Commerce, to which Mr. Draper called attention of visitors to Washington, and especially high school students. The elaborate exhibit in Room 3224 in the Commerce building is open daily this week. It highlights the industrial and graphic arts

(CONTINUED ON PAGE 12)

Interest Is Keen in Week's Effort

National Association of Life Underwriters Reports Public Attention Is Challenged

MANY RADIO BROADCASTS

Local Associations Throughout Country Well Organized in Big Educational Drive

NEW YORK, May 20.—The National Association of Life Underwriters reports a tremendous response in the activities of Life Insurance Week. It was officially opened at Washington in the Chamber of Commerce building where there was a display of life insurance material. N. H. Engle, assistant director bureau of foreign and domestic commerce spoke on behalf of E. G. Draper, assistant secretary of commerce.

The National association forwarded to members lists of all radio stations in principal cities and towns, urging broadcasts be presented.

Many Kickoff Breakfasts

Breakfasts were held in all major cities from California to New York and posters distributed. In St. Louis there were speakers before 12 clubs during the week stressing the value of life insurance. In Youngstown, O., there was a breakfast meeting at the Y. M. C. A., Griffin M. Lovelace, vice-president New York Life, speaking. That city joins in an open meeting of all agents in the Mahoning valley at Warren, O., today, where Commissioner Bowen will speak. At Buffalo, N. Y., there was a breakfast with three speakers, F. T. Jordan, Connecticut General; G. F. Gaskill, Mutual Benefit, and J. L. Lee, Phoenix Mutual. C. B. Metzger, manager, Equitable Life of New York, spoke at a "wind up" luncheon.

Many Other Activities

C. J. Zimmerman, general agent Connecticut Mutual, Newark, spoke at a meeting in Pittsburgh where Mayor Scully was guest of honor. There were displays in all bank windows and speakers at all clubs. In Richmond, Va., whose association is active in the national letter contest, C. C. Day, general agent Pacific Mutual, Oklahoma City, was the speaker. The Northern New Jersey Association held a breakfast, Dr. Frank Kingdon, president Newark University, and L. S. Broadbuss, manager Guardian Life, Chicago, speaking.

Stockton, Cal., presented an elaborate radio program of 12 broadcasts by prominent life insurance and civic leaders. There was a life insurance float at the Shriners parade in Albuquerque, N. M., and speakers before clubs and schools.

The speaker at the St. Louis break-

(CONTINUED ON PAGE 11)

Sales Continue to Rise With 12% Gain in April

NEW YORK, May 20.—New life insurance production increased 12.3 percent in April, making a 9.7 percent gain for the first four months, according to the Life Presidents Association.

All classes contributed to the increase. New business written by the 40 member companies totaled \$832,373,000 in April compared to \$741,366,000 during April, 1936. New ordinary amounted to \$528,762,000 against \$459,797,000, 15 percent increase. Industrial totaled \$246,589,000 compared to \$244,356,000, a .9 percent gain. Group amounted to \$57,022,000 against \$37,213,000, an increase of 53.2 percent.

For the first four months, the total new business was \$3,132,254,000 against \$2,856,073,000. New ordinary amounted to \$2,002,666,000 against \$1,795,402,000, an 11.5 percent increase. Industrial was \$912,312,000 compared to \$895,766,000, a 1.8 percent increase. Group totaled \$217,276,000 against \$164,905,000, a 31.8 percent increase.

March and April production shows substantial gains over both 1935 and 1936. The new paid-for business written during each of the first four months of 1935, 1936 and 1937, and percentage increases or decreases, are shown in the following table:

Ordinary Insurance				1936 Over 1935 Pct.	1937 Over 1936 Pct.
	1935	1936	1937		
January	\$ 597,800,000	\$ 447,126,000	\$ 432,820,000	-26.2	-3.2
February	488,758,000	419,392,000	459,347,000	-14.2	9.5
March	498,035,000	469,087,000	581,737,000	-5.8	24.0
April	468,425,000	459,797,000	528,762,000	-1.8	15.0
	\$2,048,016,000	\$1,795,402,000	\$2,002,666,000	-12.3	11.5
Industrial Insurance					
January	\$ 196,255,000	\$ 193,344,000	\$ 195,405,000	-1.5	1.1
February	209,017,000	212,055,000	212,231,000	1.5	.1
March	235,261,000	246,011,000	258,087,000	4.6	4.9
April	228,189,000	244,356,000	246,589,000	7.1	.9
	\$ 868,722,000	\$ 895,766,000	\$ 912,312,000	3.1	1.8
Group Insurance					
January	\$ 27,348,000	\$ 40,981,000	\$ 42,051,000	49.9	2.6
February	20,388,000	30,498,000	40,247,000	49.6	32.0
March	30,611,000	56,213,000	77,956,000	83.6	38.7
April	37,495,000	37,213,000	57,022,000	-8	53.2
	\$ 115,842,000	\$ 164,905,000	\$ 217,276,000	42.4	31.8
Total Insurance					
January	\$ 821,403,000	\$ 681,451,000	\$ 670,276,000	-17.0	-1.6
February	718,161,000	661,945,000	711,825,000	-7.8	7.5
March	763,907,000	771,311,000	917,780,000	1.0	19.0
April	729,109,000	741,366,000	832,373,000	1.7	12.3
	\$3,032,580,000	\$2,856,073,000	\$3,132,254,000	-5.8	9.7

Canadian Agency Officers Hold Session at Ottawa, Ont.

OTTAWA, ONT., May 20.—The Canadian Life Agency Officers' Association held its annual meeting here this week. In the absence of W. Boulton, Confederation Life, who has been ill for some months, I. M. Huestis, superintendent of agencies National Life, acted as chairman.

The first session was concerned mainly with relations with the agency force. E. J. Harvey, agency superintendent North American Life, presented the report of the joint committee representing the Life Underwriters Association and Canadian Life Agency Officers Association, while A. G. Nairn, field supervisor Life Underwriters Association of Canada, brought a message from that organization, and J. G. Parker, Imperial Life, chairman of the joint committee, spoke on "Our Cooperation with the Life Underwriters."

Formal addresses included: "Remuneration to Agent," by W. Carlisle, agency superintendent Mutual Life of Canada; "Extending the Branch Manager's Time for Field Work," J. G. Stephenson, assistant general manager and superintendent of agencies London Life; "Our Relations," J. C. Behan, vice-president Massachusetts Mutual Life and chairman Association of Life Agency Officers; "Methods of Increasing the Value of Our Association," J. A. McAllister, superintendent of agencies Sun Life of Canada.

The program for the last day was in the hands of the Life Insurance Sales Research Bureau, and included the following main topics: "Fact Finding—an Avenue to Profit; Where do Terminated Agents Go? Can We Successfully Rate Prospective Agents?; What Can We Expect from Agents?; To Finance or Not to Finance, and How to Insure Against Obsolescence."

What Is Life Insurance Worth?

What is life insurance worth? That is the subject debated in the May issue of the magazine, "Forum." It is well worth reading on part of all insurance men and particularly salesmen. Prof. Edward Berman, labor economist with the WPA, at Washington, D. C., attacks life insurance. A year ago or so a book was issued with him as author entitled "Life Insurance—A Critical Examination." J. B. Maclean, associate actuary of the Mutual Life of New York, read the book and wrote to Professor Berman, calling attention to some very vital errors from which he drew deductions that invalidated most of his arguments. Professor Berman paid no attention to Mr. Maclean's criticism and in the "Forum" he repeats the same fundamental errors and makes his observations on the basis that they are correct. Mr. Maclean replies to Professor Berman in the "Forum."

Flaws Are Pointed Out

The dialogue is interesting because it demonstrates in the first place that a man of learning like Professor Berman who has not, however, any profound or exact knowledge of life insurance can be led into a field with which he is not acquainted to any great extent and draw erroneous conclusions from a superficial examination. Mr. Maclean, a thorough student of life insurance, points out the flaws in Mr. Berman's statements and some are egregious. Professor Berman comments on conditions in life insurance administration and its setup that are commonly heard, and Mr. Maclean in a masterly, impartial way points out the false premises that have led Professor Berman to his conclusions.

Perhaps after all the most searching and severe critics of life insurance are found in the business itself. At conven-

Complete Office Records Urged by Department Man

Lloyd Thomson, actuary Indiana insurance department, spoke on "Maintaining Office Records to Facilitate Convention Examinations" before the special midwestern conference of the Life Office Management Association at Omaha this week, emphasizing that all facts should be put on uniform size paper, labeled and fully explained. Since the convention examination is the one most generally employed he suggested thorough study of preceding examinations and reports of other companies should be made to learn information wanted. Information obtained and tabulated at statement time should be retained in record form to facilitate matters for the examiners, he said.

Convention Examination Plan

Mr. Thomson sketched requirements of the convention examination, which calls for the company's charter rights, date of incorporation and of actual starting in business, history of progress, capital structure, management plan, names of directors and officers, the investment plan followed, agency organization, nature of policy contracts, field of operation, treatment of policyholders, accounts and records, income and disbursements and assets and liabilities at time of examination.

Mr. Thomson said records should be complete and up to date. Schedules on real estate owned and sold should be maintained and mortgage and policy loans filed so the examiner could work from the file into the schedule. Bonds owned, Mr. Thomson said, should be within easy access to the examiner and lists of bonds should be bound together.

He stressed the necessity of keeping a clear record of income and disbursements. The latter always should be made by check, he said, even in small petty cash accounts.

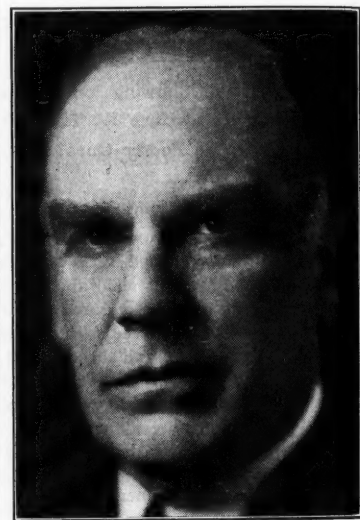
Aiken Addresses Central District

New York Life President Foresees
Better Picture in Investment
Field

STAGE CHICAGO RALLY

Chairman Buckner, Vice-president
Wickett Are Also on the Program
Culminating Sales Drive

While the present low interest rates justify a policy of conservatism, they will rise again as they have in the past despite experts' predictions, President A. L. Aiken of the New York Life told



A. L. AIKEN

Chicago and other central department agents at a luncheon Monday which marked his first appearance in that city since his election last winter. Accompanying him was T. A. Buckner, chairman of the board, whom he succeeded as president and F. A. Wickett, newly elected vice-president.

The conservative investment program is necessary because many contracts are in force for 60 or 70 years and interest rates cannot be determined for any given future year. He was optimistic as to the general trend, saying rates will go up as economic conditions do.

The company has its policy reserves fully on a three percent basis. Net earnings from real estate owned will improve, although heavy expenditures are necessary for first year possession. Hotels brought in 4.4 percent average earnings, and excluding the Vanderbilt in New York, 6.2 percent. Total real estate holdings, consisting of 5.4 percent of assets including the home office, brought in 1.5 percent earnings, he said.

Mr. Buckner outlined the company's organization and increase in operations. He recalled his early training in Chicago and Milwaukee. He mentioned that in the first 35 years total assets were \$38,000,000 and today in three months' time the increase alone is that much.

Mr. Wickett took up details of the agency organization. R. E. Whitney, Chicago, inspector of agencies central department, presided. He reported substantial increase in production for the first quarter of 1937, and excellent results of the three months drive ending May 1 in honor of Mr. Buckner and Mr. Aiken.

About 500 agents and producers attended.

(CONTINUED ON LAST PAGE)

Industrial Men Hold Convention

Social Security, Producers' Pensions, Agency Contacts Chief Discussion Themes

NO CHANGE IN THE NAME

Industrial Insurers Conference in Meeting at Asheville, N. C., Chooses Jacksonville for 1938

OFFICERS ELECTED

President—O. E. Starnes, vice-president Imperial Life, Asheville.

Vice-President—C. R. Kendall, president, Washington National, Chicago.

Secretary-treasurer—W. B. Clement, assistant secretary, Pilot Life, Greensboro.

Place of 1938 meeting—Jacksonville, Fla., time to be decided by executive committee.

By GEORGE E. WOHLGEMUTH

ASHEVILLE, N. C., May 20.—Industrial agency contracts, social security, agents' pensions and improving conditions in the field and service to policyholders were major topics at the annual meeting of the Industrial Insurers Conference with 123 in attendance. Two speakers not associated with the business gave some helpful comments on the place of life insurance today in lives of the American citizen: D. H. Ramsey, general manager Asheville "Citizen-Times," and W. P. Jacobs, president Presbyterian College of South Carolina.

No Action on Name Change

No action was taken on the proposed change in the conference name. The United Life, Jacksonville, Fla.; Progressive Life, Atlanta, and Lincoln National Life, Fort Wayne, Ind., were admitted to membership, the latter being the first exclusively ordinary company to join, following change in by-laws opening membership to ordinary companies.

Importance of the agent in selling life insurance was emphasized by Commissioner Boney of North Carolina. He declared a closer contact was needed between the home office and the agent. In settling claims, Mr. Boney said, a conscientious company does not take advantage of policy technicalities, but interprets policy provisions in a broad manner similar to the fire companies in adjusting claims under the statutory fire policy. North Carolina will not approve any policy providing for a facility of payment clause.

Recommends Pensions

Old age pensions for agents either written by another company equipped to write group annuities or by the company itself which handles the problem strictly on a scientific basis, were recommended by R. A. Hohaus, assistant actuary Metropolitan Life, as the only solution to the troublesome question of providing incomes for home office and field employees when their period of usefulness is over.

Mr. Ramsey, in his talk, "Life Insurance's Place in a Changing World," paid tribute to the record it had made through the depression. The great question a business faces today, he said, is whether it can justify itself socially. The old great common denominator, "Does It Make Money?" no longer holds and will never return. Life insurance can

(CONTINUED ON LAST PAGE)

Nashville Is Solidly Back of Witherspoon Candidacy

The Nashville Association of Life Underwriters is solidly back of J. A. Witherspoon for reelection as a trustee of the National association. He has served in that capacity with distinction for the last three years and has given eminent satisfaction. He is vitally interested in association work. He represents the southern associations. Mr. Witherspoon is general agent of the John Hancock Mutual Life at Nashville.

Program Is Announced for Gathering of Life Counsel

The spring meeting of the Association of Life Insurance Counsel will be held at the Greenbrier hotel, White Sulphur Springs, W. Va., May 28-29. L. H. Cooke, New York Life, is president. W. E. Monk, Massachusetts Mutual, is chairman of the executive committee. In addition to the regular program Berkeley Cox, associate counsel Aetna Life, will lead an informal discussion on "Community Property Laws as Affecting Life Insurance."

Papers to Be Read

Papers will be read by the following: W. F. Haldeman, associate counsel, Penn Mutual Life, "The Life Insurance Law of Pennsylvania;" M. W. Mangus, general counsel, State Life, "Comments on 'Reserve' for Non-forfeiture Purposes;" E. R. Morrison of counsel National Fidelity Life, "Availability of the Federal Declaratory Judgment Act for Life Insurance Cases;" Raymond Olson, counsel, Mutual Trust Life, "The New Illinois Insurance Code;" Walter Schmitt, counsel, Ohio National Life, "Practical Phases of the Frazier-Lemke Law."

Penn Mutual Celebrates Its Ninetieth Anniversary

By CARROLL FREY

PHILADELPHIA, May 20.—On Tuesday, May 25, Penn Mutual workers everywhere will be thinking back to a little office 15 feet square, in which room in Philadelphia, on Tuesday, May 25, 1847, the company began business. John W. Hornor was the entire office force of the Penn Mutual Life, and the company itself consisted of the 65 policyholders who had that day taken out life insurance to the total of \$224,500. The Penn Mutual is celebrating its 90th anniversary, thinking of the contrast of that beginning with its present day staff of 1,000 employees in the home office, 3,000 agents in the field—and 400,000 policyholders carrying more than \$1,750,000,000 of life insurance. President W. H. Kingsley will be in general charge of the observance.

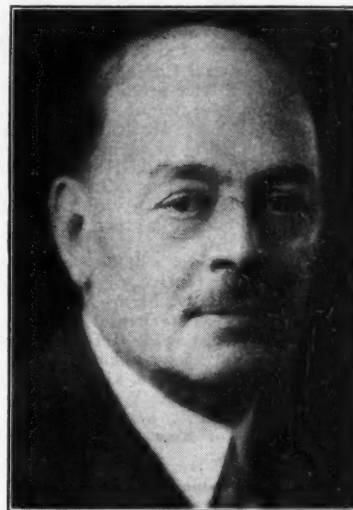
In the field the Pennmutualists, as the agents long have been called, are celebrating the anniversary with two policyholders' service months, in April and May.

In its 90th year, the Penn Mutual finds it has 119 living policyholders who are as old or older than the company, 14 of them women. Of the 119, 33 were born in the year of the origin. There are also 36 annuitants whose ages run from 90 to 100, of whom 28 are women, the one centenarian being a woman.

The Penn Mutual was the first mutual in Philadelphia, and the seventh to begin in America, back in the "fabulous '40s." The year 1847 was the year of the Mexican War, and the year in which the United States government first issued postage stamps. It was the year in which chloroform was first used for anaesthesia, and the hypodermic needle

invented, and puerperal fever was first conquered, which points might well interest insurance medical departments.

The year 1847 was also the year in which, believe it or not, the hole in the doughnut was invented, the idea being



W. H. KINGSLEY

to do away with the soggy center of the succulent pastry, thus increasing human longevity. Sporting enthusiasts might be interested to know that in 1847 the great American health game of baseball was one year old. While all company investment departments will remember that the next year, 1848, was the year of the discovery of gold in California, that fact will even more fascinate agency departments, for the lure of gold on the Pacific coast turned the American tide of empire westward, thus enormously increasing underwriting territory.

Pennsylvania Life Leaders Oppose Savings Bank Bill

Life insurance people of Pennsylvania have been active in opposing a bill in the lower house of the state legislature to authorize mutual savings banks to operate life insurance departments. Almost 300 attended a hearing of the house insurance committee to protest the bill and T. A. Logue, secretary of interior affairs, attended in support of the proposition.

Among those who spoke in opposition were:

Herbert L. Smith of Harrisburg, Holgar Johnson of Pittsburgh, past president Pittsburgh Life Underwriters Association; Frank Taptich, Pittsburgh, president Pennsylvania Fraternal Congress; Reginald Koehler, Pittsburgh; Al Levy, president, Philadelphia Life Underwriters Association; Irving Bendiner, counsel Pennsylvania State Association of Life Underwriters; Andrew Novak, Pittsburgh, treasurer First Catholic Union of America, and John Willo, general counsel National Slovak Council, Pittsburgh.

Insurance Club Hears McNally

F. T. McNally, Minneapolis general agent Massachusetts Mutual Life, spoke at the last spring meeting of the Insurance Club of Minneapolis on "Illegitimate of History." He has spent much time delving into history and giving public addresses on historical subjects.

The luncheon was sponsored by Marsh & McLennan.

Ninety Years

May 25, 1847

May 25, 1937

On the 25th day of May in the year 1847, John W. Hornor opened an office in Philadelphia on behalf of sixty-five associates who that day became THE PENN MUTUAL LIFE INSURANCE COMPANY.

After two years' study of English life insurance, Mr. Hornor had interested twenty-seven prominent citizens in the idea of founding a mutual life insurance company. And the Legislature of the Commonwealth of Pennsylvania had granted a charter.

They purposed to insure one another, and others who might join them, by building and maintaining a safely calculated reservoir of money, through periodic premium deposits. Those insured were to share the risks, the expenses, and the savings.

Most of our great American life insurance companies had a similar beginning. And scientific actuarial bases, expert investment policies faithfully employed, and constant perception of and serving the broadening needs of our people, have brought them to world-wide preeminence in magnitude and power and worth of their social service.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

Actuarial Society Holds Annual Gathering in N. Y.

OFFICERS TO BE REELECTED

R. B. Robbins Reviews State Pension Plans in Great Britain—Other Papers Are Presented

NEW YORK, May 20.—Present officers of the Actuarial Society of America are expected to be reelected at the annual meeting here today. They are M. A. Linton, Provident Mutual Life, president; John M. Laird, vice-president Connecticut General Life, vice-president; R. D. Murphy, vice-president and actuary Equitable Life of New York, vice-president; J. B. Maclean, associate actuary Mutual Life of New York, secretary; E. W. Marshall, vice-president and actuary Provident Mutual Life, treasurer; J. R. Larus, vice-president and actuary Phoenix Mutual Life, editor.

Five new members will be elected to the council to replace those whose terms expire: B. D. Flynn, vice-president and actuary Travelers; L. K. File, associate actuary Canada Life; Samuel Milligan, second vice-president Metropolitan Life; H. S. Beers, vice-president Aetna Life, and D. A. Walker, former second vice-president, associate actuary Equitable Life of New York, who died recently.

State Pensions in England

In a paper on state pensions in Great Britain, R. B. Robbins, secretary and actuary for annuities Teachers Insurance & Annuity, pointed out that Great Britain has failed to use these savings methods with reference to old age benefits, the one feature of social insurance for which this method is often considered peculiarly adapted. Mr. Robbins pointed out that social benefits should be so financed as to disturb other economic and financial arrangements as little as possible, and, with this in mind, considered it best to follow the British practice of collecting each year, in connection with social benefit schemes, just about enough to cover the expenditures of that year.

Benefits to Widows, Orphans

Mr. Robbins' paper was largely a review of the plan of free attention of needy aged persons made available by Great Britain in 1909 and of the compulsory contributory pension plan enacted in 1925. This contributory plan is of particular interest because it creates rights and obligations for a large portion of the population and involves benefits available without a showing of need, not only to persons pensioned age 65, but also to widows and orphans.

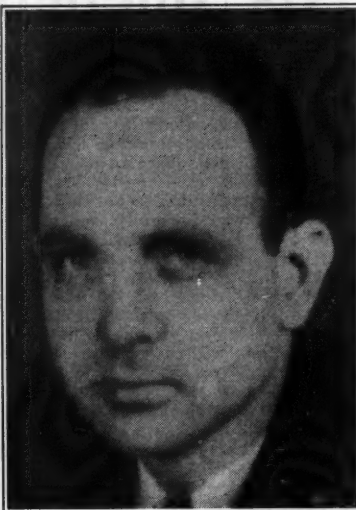
Payment of benefits to widows and orphans, in fact, is a major objective of the British plan. The government actuary has estimated that these benefits will cost more during the next 30 years than all the old age benefits payable between ages 65 and 70. Mr. Robbins also touched briefly on the British unemployment insurance law and the tieup between the contributory pension plan and national health insurance.

Cost Under British System

As to the cost of social insurance benefits, Mr. Robbins said that they cost Great Britain £4½ for each of the 45,000,000 inhabitants, that free pensions and payments under the contributory pension plan each cost nearly a pound per capita, that unemployment benefits cost more than both of these and that health insurance benefits cost about two-thirds of a pound per capita. Considerably more than half of this bill of £200,000,000 was paid by general taxation.

Other papers presented included actuarial notes on Henderson's mechanographic method of graduation, W. G. Bowerman, assistant actuary New York

Heads Life Advertisers Southern Round Table



EMMETT RUSSELL, JR.

Emmett Russell, Jr., Life & Casualty, was elected chairman for the coming year of the Southern Round Table of the Life Advertisers Association at its meeting in Nashville.

Interest Is Now Intense in Fate of Illinois Code Bill

The Illinois insurance code bill has been placed on special order of business in the lower house for next Tuesday morning, at which time amendments will be considered. The chairman of the insurance committee said there is a possibility the measure will be called up for passage the next day.

The course of the Illinois insurance code bill from day to day is being followed intently because it is reaching the critical stage. It has passed the senate, it has been reported favorably by the house insurance committee and is now receiving the attention of the house as a whole.

Although on the surface everything seems to be serene, those who are seeking its passage are constantly on the lookout for indications of trouble.

R. H. Matthias, Chicago, secretary Illinois Fraternal Congress, has sent a bulletin to members urging them to communicate with their members of the lower house, asking passage of the code without any amendments. The fraternalists are anxious to see the code go through as it is now.

New Brunswick, Can., New Insurance Official Picked

E. B. MacLachy has been appointed superintendent of insurance of the province of New Brunswick. Heretofore there has been no general insurance statute in force there and no superintendent but on April 29 the new insurance act of 1937 was proclaimed. Mr. MacLachy was born at Campbellton, N. B., Oct. 19, 1897, was educated at Horton Academy, Wolfville, N. S., attended Dalhousie University at Halifax.

He was employed with the board of pension commissioners of the department of soldiers civil reestablishment for four years at Ottawa, London, Ont., Halifax and St. John. He was admitted to the bar in 1924 and has been practicing at Campbellton.

Life, and on a guide to graphic graduation, C. A. Orloff, Marsh & McLennan, Chicago, and notes on interpolation, Kingsland Camp, assistant mathematician Equitable Life of New York.

Chicago Actuaries Hold a Prevue of Institute Topics

GIVE THEIR OWN EXPERIENCE

Expense, Production and Settlement Options Discussed—Lehane Is New President

A prevue of several subjects on the program at the Chicago meeting of the American Institute of Actuaries May 27-28 was held by the Chicago Actuarial Club. The topics were expense, production and settlement options, discussion leaders, respectively, being J. A. Roberts, assistant secretary-actuary Continental Assurance; W. W. Nipper, assistant actuary Mutual Trust Life, and H. C. Reeder, actuary and office manager Country Life.

Mr. Roberts took up first recent experience in cost of collecting premiums in instalments. He said generally increase in collection frequency increases cost of collections. It appears conclusive that increase of minimum premium requirements helps to increase the average size of policies. Other sub-topics under the expenses in the institute program are: Centralized collection of premiums and whether this cuts down costs, steps in reduction of collection costs, with the effect of extensions, and effect of change from an annual to fractional collection basis.

Centralization of Collections

W. O. Morris, actuary North American Life, Chicago, discussed centralized collection offices. His company has considerably reduced the number of collection offices with no apparent increase in lapse or inconvenience to policyholders, doing all collecting from the home office. Machine collection methods are more satisfactory on semi-annual and quarterly business than on extensions. Mr. Reeder, whose company does a large rural business, said it is considered preferable to have the policyholders mail their premiums to the home office although his company has many branches and all machinery in the field necessary for collection there.

There was a discussion of extension notes. One actuary noted his company's custom is to extend on farmer business until the fall when the farmers usually realize cash on their year's transactions. He said this has been found necessary in order to hang on to the business and has proved satisfactory. Collections are handled from the home office, the branch office collection system having been discontinued.

Various Practices Shown

Company practices vary considerably. One company grants no extensions and has no collection agencies. Some other companies have automatic premium loan provisions. An actuary noted his company recently adopted a monthly premium loading of .092, which he said is equivalent to about 47 cents loading on every monthly premium. Most companies will not sell a policy for less than \$1,000 nor for minimum premium less than \$10, but a few will write down to \$500 and accept minimum premium as low as \$5.

Mr. Reeder discussed settlement options, noting his company's average policy on lump sum settlement basis runs about \$1,200, but with settlement option more than \$3,000. He warned against laxness in writing settlement options. There was some debate over the interest rates to be used in settlement options, the question being raised whether it would not be preferable under existing low interest conditions to provide a low guaranteed rate and to make adjustments through the excess interest rate deemed necessary because of actual experience.

Some suggested using a different interest rate in the life annuity and years

(CONTINUED ON PAGE 22)

Pittsburgh Is All Set for Pennsylvania Days Program

STEVENSON, REIS WILL TALK

Holgar Johnson Is Chairman of Life Conference—Record Attendance at Banquet Indicated

The life insurance and accident and health conference programs for the 1937 Pennsylvania Insurance Days sponsored by the Insurance Federation of Pennsylvania in Pittsburgh June 3-5 have been completed, with an outstanding list of speakers.

The life insurance conference, as arranged by the Pittsburgh Life Underwriters Association has Holgar J. Johnson, Pittsburgh general agent of the Penn Mutual Life, as chairman. John A. Stevenson, executive vice-president of the Penn Mutual Life and F. W. Reis, Jr., Pittsburgh manager of the Canada Life, will speak. Dr. Stevenson will tell why life insurance plays a leading role in the economic life of the nation. Mr. Reis will tell of the possibilities of business insurance.

At the accident and health conference Dr. George A. Enion, chief medical examiner of the Industrial Life, will discuss the medical division's functions; William S. Corey, vice-president Provident Independent Life, Health & Accident, will speak on sales promotion; and Albert Ries, secretary Philadelphia Mutual Aid Society, will talk on company cooperation with the agency force.

Kaufman Expects Record

Frank S. Kauffman, Pittsburgh, manager of the Travelers, chairman of the banquet committee, announces that reservations indicate a record attendance. The principal address will be made by Dr. Virgil Jordan, president of the National Industrial Conference Board, who will discuss the prospects of American prosperity. The conservation of life and property award will be presented. Deborah Franklin's double, will be given a diamond wrist watch. The feature of the banquet will be a pageant arranged by the Pennsylvania Fraternal Congress.

A gathering of good fellowship will be held June 4 at Duquesne Club at a luncheon sponsored by the agencies committee of Pittsburgh, an organization of general agents and managers of the Pittsburgh Life Underwriters Association.

Bigger Starting Salaries Seen

Offering annual starting salaries \$90 to \$300 higher than last year in many lines, corporation scouts are competing on university campuses for promising 1937 graduates with more and better jobs, according to a survey of the employment situation at 76 universities and technical schools completed by the Northwestern National Life.

At 62 of the 76 schools, increases in the number of jobs available, as reported by placement directors, range from "considerable" to "several hundred percent over the 1936 volume of employment calls." All principal industries are represented on the campuses this year; especially active in seeking trained men are the electric, steel, heavy machinery, life insurance, mining, oil, motor, meat packing, construction, general manufacturing, and merchandising lines, the survey finds.

Watson District Agent

H. M. Watson of Knoxville, Tenn., has been appointed district agent in east Tennessee for the Connecticut Mutual Life. He has been connected for five years in Knoxville with the Phoenix Mutual. Formerly he was a newspaper man there, and last year was publicity chairman for the Tennessee sales congress.

HOME LIFE

Insurance Company, 256 Broadway, New York, N.Y.

Ethelbert Ide Low
Chairman of the Board

James A. Fulton
President

A COMPANY OF OPPORTUNITIES—



VERNON W. HOLLEMAN
General Agent, Washington, D. C.
Began with Home Life at age 26,
Agency Field Assistant, Dec. 1933.
Appointed General Agent
November 1934.



JOHN F. WALSH
Assistant Superintendent of Agencies
Came to Home Life at age 25.
Agency Field Assistant, Feb. 1934.
Appointed Assistant Superintend-
ent of Agencies, August, 1936.



DARYL D. JOHNS
General Agent, New York City
Came to Home Life at age 37.
Agency Field Assistant, Mar. 1935.
Manager, Home Office Sales Divi-
sion, November 1935.
Appointed General Agent
May 1937.



JAMES F. RAMSEY
Branch Manager, Chicago
Came to Home Life at age 29.
Agency Field Assistant, Oct. 1935.
Appointed Branch Manager,
September 1936.

—A COMPANY FOR YOUNG MEN

IT IS the constant purpose of the Home Life to advance men to positions of greater responsibility from within the organization. The Home Life is proud that it can point to such a record. The advancement of these four young men illustrates the working of a Company plan. All were Field Assistants in the Home Office. Some Field Assistants had previous life insurance experience with other Companies, and others came into the business with the Home Life.

They came from the South, the West and the East. Returning prosperity is exciting ambition in the minds of men in every locality. The world of business must heed the challenge from young men.

Pennsylvania Association Hears Outstanding Leaders

"KILL" SAVINGS BANK PLAN

Congress Is Told Selling Points and Warned Not to Overlook Dangerous Legislative Schemes

The Pennsylvania State Association of Life Underwriters staged its second annual all-day sales congress at Harrisburg. There were 275 registrations.

The morning session was opened by A. M. Spalding, director of agents' training for the Equitable Life of New York who presented three factors which, if cultivated, will offset the weakened morale brought on by the constant string of "No's" the average agent must endure.

Roger Pennock, Provident Mutual personal producer in southern New Jersey, told how he has built a \$300,000 annual business in rural territory and offered a number of prospecting suggestions that apply equally well in the development of city business.

C. C. Robinson, editor "The Insurance Salesman," Indianapolis, wound up the morning session with a discussion of how men are writing business today.

J. A. Fulton Speaks

J. A. Fulton, president Home Life of New York, told a keenly interested luncheon audience about his company's planned estates program—its background, its application in practice and something about the results Home Life men are getting.

The afternoon session opened with a strong presentation by L. R. Schultz, agent Northwestern Mutual at Norristown, Pa., of methods he used to put himself in the \$250,000 class less than three years after coming into the business.

The widely shown Borden and Busse sound movie, "Making a Sales Presentation Stay Presented," was a feature of the afternoon program.

H. T. Burnet, vice president Reliance Life, Pittsburgh, was introduced as a pinch-hitter for J. M. Gantz, originally scheduled to close the congress. Mr. Gantz, unexpectedly called to California, had counted on using a specially chartered airplane to fill his Harrisburg engagement, but discovered that an exclusion clause in his life insurance prohibits flights on anything other than scheduled runs of regular transport planes.

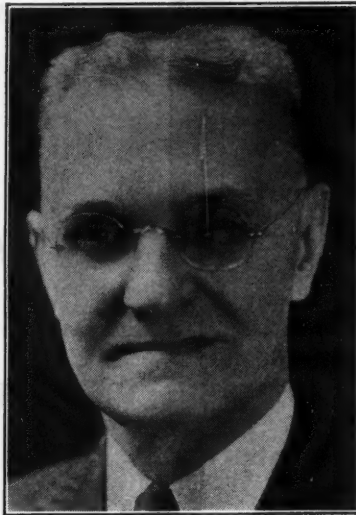
Mr. Burnet took up the problem of building a profitable life insurance business and showed, with a number of impressive charts, the importance, to the agent as well as to the company, of writing a reasonably large average case. He pointed out the necessity of emphasis on intelligent prospecting among occupational classifications with incomes warranting average applications in the neighborhood of \$4,000, plus stability enough to make for persistence.

Savings Bank Plan Shelved

Herbert Smith, reporting as chairman of the state association's committee that attended hearings on a bill aimed at authorizing savings bank life insurance in Pennsylvania, was able to assure the congress that there was no immediate likelihood of this legislation going through. The bill was an administration measure, sponsored by the commissioner of insurance. No one questioned seemed to know exactly who wanted savings bank insurance, or why they wanted it. One man, outside the life insurance business but fairly close to those in the capitol, said he "thought the commissioner had read a magazine article about the Massachusetts plan and it seemed like a good thing."

Chairman Smith warned Pennsylvania agents against sitting back and considering the matter a closed issue. "The bill is dead right now," he said, "but you

Will Preside



A. A. FISK, Newark

A. A. Fisk of the Prudential, who is president of the Insurance Advertising Conference, will preside over the deliberations at its mid-year meeting in New York Friday of this week.

can't tell when it may be brought up again."

In his talk to the morning session, Mr. Spalding told of a survey made by his company to determine just what it is that makes some agents forge ahead of others, working conditions and territorial possibilities being equal.

A questionnaire was sent to a large number of agents in South and North Carolina, West Virginia, Boston, Michigan, Pennsylvania, Wisconsin and New York City. These agents were asked to grade themselves on the following factors:

1. Are you a good prospector? Are you a good friend-maker, and can you convert your friends into policyholders? Can you convert your policyholders into friends? Do you develop new centers of influence through organizations? Can you sense insurance situations? Do you have a weekly worksheet of preferred prospects?

2. Are you a good sales closer? What do you do about true stories of life insurance at work; do you have a number that you use regularly, and do you constantly add to them?

3. Are you a firm comptroller? Do you make plans? Do you carry out those plans?

Mr. Spalding said they found that agents who rated themselves under 60 on this questionnaire produced little or no business. Those scoring over 60, but less than 70 paid for an average of about \$90,000 annually; agents with a rating of 70 to 80 averaged \$135,000, and those scoring over 80 were better than \$200,000 a year men.

Two Managers' Schools Planned

Life insurance men from virtually every section of the United States and Canada will be in attendance at the two agency building schools to be held in Chicago by the Life Insurance Sales Research Bureau. The first will meet June 7-18 and the second July 12-23. Both sessions will be at the Edgewater Beach Hotel. These are the concluding schools on the Research Bureau's program for 1937.

John Marshall Holcombe, Jr., manager, heads the group of men from the bureau who will conduct the schools. Each school will be featured by the appearance on the program of guest speakers prominent in life insurance.

The West Coast Life has declared a 50-cent per share dividend.

Missouri Association Has Report of Gains in Year

ALDERMAN NAMED PRESIDENT

Annual Meeting Is Held in Jefferson City; Joint Sales Congress Is Feature of Day

OFFICERS ELECTED

President: Dallas Alderman, Kansas City, Kansas City Life.

First vice-president: James Callahan, Metropolitan Life, St. Louis.

Second vice-president: Arnold Roth, Travelers, Cape Girardeau.

Secretary: Jesse Moore, Mutual Life of New York, Springfield.

Treasurer: Miss Dorothy Riley, Reliance Life, Columbia.

Review of membership work, gains among women's divisions and efforts to bring the business more into the public eye featured the annual meeting of the Missouri Association of Life Underwriters at Jefferson City.

Over 200 from various areas attended the annual meeting. The joint sales congress conducted under auspices of the Columbia association and the Jefferson City association took place the second day.

Association Growth

Retiring President S. T. Utz said 20 towns and nine local associations were represented at the meeting. Mr. Alderman, chairman state program committee, submitted a report which recommended a survey be conducted throughout the state to find speakers who are capable and willing to cooperate with local associations in the arranging programs. The report was approved by the meeting and steps will be taken in the near future to put this caravan idea into effect. Frank Vesser, Reliance Life, St. Louis, chairman membership committee, reported the St. Louis association has 388 members, Kansas City, 275; St. Joseph, 60; Columbia, 52, Cape Girardeau, 30, Jefferson City, 18, and Springfield, 15.

Scott Smith, chairman of the publicity committee, reported the organization has been successful in obtaining state-wide distribution of authentic books on life insurance through various public libraries. He said that "Life Insurance Logic" and "Life Insurance Selling" were among the more popular books.

Women's Groups Started

Miss Helen Summy of St. Joseph reported for the women's committee, and told of organization of women's divisions in Kansas City and St. Louis during the year. Previously St. Joseph had a very active women's division. All are affiliated with the local associations.

Arnold Roth of Cape Girardeau, chairman educational committee, said it has been endeavoring to bring about establishment of a chair of insurance at the University of Missouri, Columbia. The move has been approved by the president and dean of the university but it is necessary to obtain the necessary funds through the board of curators. The prospects for success are very favorable, he said. It is proposed to create a new course in "Personal Finance Planning" and students would be shown how to provide for carrying an adequate amount of life insurance.

The finance and budget committee recommended that local associations affiliated with the state association contribute 50 cents per capita to the upkeep of the state body. The resolution and legislative committee reports were given by G. L. Dyer of St. Louis, for the legislative unit, stating no adverse legislation has been passed at the present session of the general assembly. Howard Cammack, president St. Louis association, presented a resolution endorsing the work of Governor Stark and

Superintendent O'Malley on behalf of sound life insurance, and expressing appreciation of efforts of the insurance press and daily newspapers in handling of life insurance news.

Six Home Office Graduates Union Central Managers

With the announcement of the appointment of H. N. Hamilton, assistant superintendent of agencies, of the Union Central, as Philadelphia manager, the list of managers who were similarly promoted from the home office grows to six. H. A. Zischke, Chicago manager, received his promotion in December, 1936; M. S. Trueblood, Los Angeles, February, 1933; Paul Hommeyer, Minneapolis, January, 1934; J. W. Rivers, San Francisco, January, 1936; J. C. Benson, Cincinnati, April, 1936, and Mr. Hamilton this month. Each has been outstanding in building up his agency. For the past 12 months five of the Union Central's nine leading agencies were headed by one of these men. Three had field experience prior to going into the home office and three did not. Several of the men have done particularly good jobs in building outstanding agencies from minor ones.

Northwestern Mutual Bowlers

Six teams of the Northwestern Mutual Life Bowling League were entered in the recent annual state tournament of the Wisconsin State Bowling Association in Milwaukee. The team representing the inspection department, Carl Withey, captain, placed 20th among the 1,350 five-men teams participating, with a score of 2,800. Roger Rodee starred with a score of 678, and a high single game of 289. Other Northwestern Mutual teams to finish in the money were the Treasurers, Joseph Zurfluh, captain; Actuaries, Arthur Koch; Legals, Earl Witte; Mortgage Loans, George Koester, and Medicals, Thomas Felderer, Jr.

The outstanding event of the season in the ten-team league of the Northwestern Mutual was the high record set by the legal department team of Earl Witte, George Koester, Harold Manke, Ray Ries and Roger Rodee, with a high single game total of 1,059 and a high three-game total of 3,002. Roger Rodee also broke the league record with 735 for three games and Joseph Warzala's high single game of 278 tied the record held by Roland Bong.

Liberalizes Disability Still More

LINCOLN, NEB., May 13.—The Nebraska supreme court, in holding the General American Life liable for disability payments to David From, a farmer who developed dementia praecox after he had purchased two policies, liberalizes still further disability provisions in life policies. In addition to its previous holding that in order to recover the insured need not be so helpless as to be unable to do anything, it adds that "the words total and permanent disability do not mean that the insured must be rendered absolutely and totally unable to perform every duty of his occupation in order to recover. It is sufficient in that respect if the insured is disabled by bodily disease from performing one or more of the necessary acts of his occupation."

Prestige Building Book

Prentice-Hall, 78 Fifth avenue, New York City, are issuing a new book, "Prestige Building for Life Underwriters" by J. L. McMillin, who is a personal producer, a C. L. U. man and an agency organizer. The foreword is written by E. J. Clark, manager John Hancock Mutual at Baltimore. It deals with practical selling suggestions and as its name implies, building up reputation and prestige in a community through service and mastery of one's work. It sells for \$2 and can be purchased from THE NATIONAL UNDERWRITER.

Pittsburgh Life Men Are Back of Holgar Johnson



HOLGAR J. JOHNSON

The Pittsburgh Life Underwriters Association heartily endorses the candidacy of Holgar J. Johnson for vice-presidency of the National association. He has already filled such National association positions as local chairman of the Pittsburgh convention, 1931; chairman of managers' program at Chicago convention, 1933; chairman of program at Milwaukee, 1934; chairman of membership in 1935, during which year the membership reached a new high, and this year chairman of the educational committee. He has served as a most active trustee since 1932. In addition, Mr. Johnson has appeared before local associations and at sales congresses in all parts of the country. He has been president of the Pittsburgh and Pennsylvania state associations.

Much Interest in the Move

Ohio National Will Have a Fully Fledged Reinsurance Department and Will Push for Business

Much interest is taken in the action of the Ohio National Life in establishing a reinsurance department. Some companies have advanced their cause decidedly by having a special reinsurance service and a well organized department. The Ohio National Life is a progressive company and undoubtedly the officials see an opportunity in a well organized reinsurance department to add to its stature. R. B. Sturtevant, the new vice-president in charge of reinsurance,

Life Insurance Bills Are Signed by New York Chief

ALBANY, May 20.—Governor Lehman of New York has approved the following bills affecting life insurance investments and issuance of policies:

The O'Brien bill amending the insurance law by providing for investment of capital and surplus in equipment trust and receivers' certificates by domestic insurance corporations.

The O'Brien bill amending the insurance law prohibiting domestic mutual and stock life corporations issuing participating policies from issuing any such policies except annuities which do not by the terms give holders thereof full right to participate in accumulations as provided to make it apply only to companies issuing participating policies in the United States. This is the bill allowing life companies to write different kinds of insurance in foreign countries, as chapter 343, laws of 1937.

Another O'Brien bill requires the insurance superintendent to make annual valuation of outstanding contracts and obligations of each life or casualty corporation on cooperative or assessment plan, in addition to other valuation report required, first valuation to be made on Dec. 31, 1937.

The Desmond bill permits two or more assessment corporations to issue combination standard form with modifications to be approved by superintendent.

An O'Brien bill permits domestic life corporations to invest in guaranteed shares of solvent institutions created or existing by law, and requires such institutions shall earn the required dividend during each of any three years next preceding.

has had a well rounded experience. He will organize it at once and get the machinery going. He has already taken his seat, having resigned as an official of the American Central Life and its successor, the merged American United Life. In the merged company he continued in charge of the reinsurance department.

Fraser Agency's Record

The Fraser agency Connecticut Mutual, New York City, announces 1937 paid business as of May 14 equals amount paid for from Jan. 1-Aug. 1, 1936. The agency's paid for business for the first 14 days of May 1937, is \$880,000 as against \$1,007,000 for the entire month last year. Paid for business from Jan. 1 to May 14, 1936, amounted to \$3,635,000; for the same period this year it is \$5,665,000.

Joseph W. Ray of the Travelers, Columbus, O., has been elected to the Columbus board of education.

THE WEEK IN INSURANCE

Many activities over the country featured in **Life Insurance Week**. **Page 1**

Importance of persistency of agents as production factor analyzed by M. A. Linton in Actuarial Society address. **Page 1**

Industrial Insurers Conference meets at Asheville, N. C.; takes up pensions for agents, double indemnity clause features. **Page 3**

Penn Mutual Life is celebrating its 90th anniversary this month. **Page 3**

Missouri Association of Life Underwriters holds annual meeting at Jefferson City. **Page 6**

Pennsylvania Association of Life Underwriters holds sales congress, warned of savings bank scheme in that state. **Page 6**

Phoenix Mutual Life announces an increase in rates will become effective June 1. **Page 24**

New Brunswick, Canada, has its first superintendent of insurance. **Page 4**

Program is announced for the mid-year meeting of the Association of Life Insurance Councils. **Page 3**

New York Life central department hears President A. L. Aiken, Chairman T. A. Buckner and Vice-president F. A. Wickert discuss investment outlook. **Page 2**

Actuarial Society of America holds its annual meeting in New York. **Page 4**

California life insurance people to seek Commissioner Carpenter's aid in securing qualification requirements. **Page 10**

M. L. Woodward, former Northwestern Mutual general agent in Detroit, joins Johnston & Clark's Mutual Benefit agency there. **Page 20**

Facts brought out in connection with the examination of the Chicago Fraternal Life Association, a fraternal. **Page 22**

BEHIND THESE FIGURES

THE
NATIONAL
LIFE AND
ACCIDENT
INSURANCE
COMPANY
INCORPORATED
SHIELDS
YOU

\$ 80,734,482

INCREASE OF LIFE INSURANCE IN FORCE DURING 1936

\$ 536,728,355

TOTAL LIFE INSURANCE IN FORCE DECEMBER 31, 1936

ON THE SAME FOUNDATION
STILL STANDS THE SHIELD OF
PROTECTION WHERE IT HAS
STOOD FOR THE LAST 35 YEARS

STRENGTH
INTEGRITY
FAIR DEALING
Progressiveness

The

NATIONAL LIFE AND
ACCIDENT INSURANCE CO.

C. A. CRAIG, Chairman of Board INC. W. B. WILLS, President

Home Office

NASHVILLE, TENNESSEE

35th Anniversary Celebration in Nashville — April

1937



**For his 20 years of growing up
... she'd need money every month**

**YOU CAN LEAVE
your family a sure income of
\$100 EVERY MONTH
if you're earning \$45
a week or more**

Protection, makes this possible. It is far less expensive and far better suited to the actual needs of your family than old-fashioned life insurance. Multiple Protection is sponsored by The Union Central Life Insurance Company, a 70-year-old institution with over a billion dollars of insurance in force, offering all approved life plans. Full details about Multiple Protection are given in an easy-to-read booklet.

DURING those important years ahead... till your youngsters are grown and educated... you intend to see to it that your family wants for nothing. Every father makes that silent promise. But would your promise be kept if you were not here? If they had to face the future alone—without your pay-checks?

TO THOUSANDS OF YOUNG FATHERS who promise themselves that their families will want for nothing, this current Union Central advertisement presents a striking idea.

It emphasizes the greatest need of the average family: *money every month*... until the children are grown and able to take care of themselves. And then it explains how any father, if he earns \$45 a week or more, can make certain that his family would have \$100 *every month* for twenty years after his death. And that there would be, after that time, a generous fund to take care of his wife as long as she lives.

That this form of life insurance—called Multiple Protection—meets a widespread need is best demonstrated by one simple fact: Union Central writes all approved life plans; yet, during the past twelve months, more than one-third of the Company's business has been on the Multiple Protection Plan.

The UNION CENTRAL Life Insurance Company

CINCINNATI, OHIO

For 70 years the Union Central has enjoyed steady, healthy growth, its assets today having reached a peak of \$343,035,516.25.

Buyers' Cross-Section by Magazine Indicates Trends

CHALLENGE TO LIFE PEOPLE

Survey by "Good Housekeeping" Magazine Highlighted by Bureau Man at Ad Gathering

Questionnaires sent in a recent survey by "Good Housekeeping" magazine to 2,000 readers and their husbands, of whom 422 women and 397 men replied, and also the Curtis Publishing Company survey made some time ago in cooperation with the Life Insurance Sales Research Bureau, suggest five serious thoughts for consideration by life insurance people. K. R. Miller, consultant Sales Research Bureau, told the Southern Round Table of the Life Advertisers Association at Nashville. These thoughts are:

(1) A public fear of inflation and its potential effect on life insurance; (2) a thirst for knowledge as to the relation of the social security act to life insurance; (3) a need for interpreting life insurance as an institution and its place in the economic and social welfare of this country; (4) a need for explaining life insurance in a simple fashion, particularly the way in which life insurance can be used to replace definite monthly income; (5) an increasing interest in life insurance by women, which interest is reflected in an influence on life insurance sales; also, an increasing search for information on life insurance by women interested as buyers and their beneficiaries.

Challenge to Institution

Mr. Miller said these facts and opinions offer a distinct challenge to study more intensely the public's attitude, to find out what they think about life insurance and to find out the questions about life insurance which are in their minds; to change and improve insurance advertising and sales promotional material so as to provide agents and the public with the kind of information and knowledge about life insurance which the people apparently want and deserve.

Results of Recent Survey

The "Good Housekeeping" survey was conducted to determine if the magazine should publish a series of articles to clarify some life insurance mysteries. It was found 97 percent of the men own life insurance, 57.7 percent of their wives are insured and 46 percent of their children. Only 15.1 percent had no children. Of the husbands, 81.2 percent wanted to know more about life insurance, and of the wives 85 percent; 83.7 percent of women and 77 percent of men thought it was wiser to have life insurance proceeds paid to the wife as income rather than lump sum.

There was 22.9 percent of the men that said they would buy life insurance during this year and 89.7 percent of them specified the company. Of the men 78 percent said they did not buy life insurance until they discussed it with their wives; 25.5 percent had their life insurance arranged on a program basis, but of these 74.7 percent planned to revise their insurance to meet changing needs and 66.2 percent of the wives were agreeable and would help.

Shows Attitude of Wives

Of the wives 37 per cent admitted they objected to purchase of life insurance and 44.3 percent thought they could get along without much insurance. Only 29 women, or 7 percent, believed life insurance is a "die to win" proposition and 371 or 93 percent, had the larger view of it. Only 90, or 22 percent, of the wives said they would like to have their husbands buy more life insurance if their income were substantially increased; 47 percent, or 187, said they felt they could get along somehow if necessary without much life

Million Line Is Paid for in Chicago on Five Lives

A million-dollar business insurance case on five lives, one of the few of that size written in this country since the 1929 crash, has been placed by Paul W. Cook, million-dollar producer of the Mutual Benefit general agency in Chicago. The entire amount has been paid for. All of it was placed in the Mutual Benefit, \$200,000 on each life. The corporation was the purchaser, the insurance being on "key" officials.

Mr. Cook received new honor roll credit for \$730,000 and conversion credit of \$270,000. He placed the original line five years ago, \$270,000 of which was converted to a higher premium plan this week at the same time that the new insurance was written.

Mr. Cook, who is 37 years of age, entered the life insurance business from college and has been near the top in production for the Mutual Benefit throughout the depression. He was one of the earliest C.L.U.'s in Chicago, having received the designation in 1929, in which year he also first became a member of the Million Dollar Round Table.

Author of "Cook Book"

He is instructor of agents in the A. A. Drew agency of the Mutual Benefit at Chicago and author of the "Cook Book," a collection of recipes for life insurance selling, many of which first appeared in the "Squab," the agency's well known house organ.

He is prominent also as a speaker at life insurance gatherings and is one of the club speakers for the Chicago Association of Life Underwriters' observance of Life Insurance Week.

Mr. Cook specializes on substantial business men who will listen to and accept creative sales ideas. He is a student of life insurance selling.

So far as can be ascertained, his million is the first million placed in the agency since Mr. Drew took charge many years ago.

insurance, and the remainder, or 206, felt otherwise.

There were 92, or 22 percent, that objected to their husbands buying more life insurance as they felt it was an additional demand on the budget burdensome to meet, but 320 or 78 percent did not feel that way. There were 64, or 16 percent, who objected because they felt it unfair to their husbands not to be able to enjoy or get return on the money spent for life insurance, but the remaining 342 felt differently.

Men Give Their Views

Of the men, 44 or 12 percent looked on life insurance as a "die to win" proposal, but the remaining 335 did not; 66 or 18 percent favored lump sum settlement of proceeds, but the remaining 306 favored income installments; 309 or 79 percent discussed life insurance with their wives before buying; 85 or 22 percent admitted their wives had objected to buying more life insurance, feeling it was burdensome; 187 or 53 percent favored life insurance as an investment for surplus money; 58 or 19 percent favored real estate; 51 or 14 percent, bonds, and 47 or 13 percent, good stocks.

An unexpected and highly valuable by-product of the survey, Mr. Miller said, was the large number of questions and comments entered on the questionnaires.

Ohio Conversion Bill Signed

Governor Davey of Ohio signed a bill to regulate the conversion of stock life companies to mutuals. Heretofore there had been no way by which Ohio stock companies desiring to mutualize could do so legally and there has also been no provision for the organization of mutual legal reserve companies in Ohio. It will go into effect in 60 days.

National Life, Vermont, in Drive for E. D. Field



E. D. FIELD

MONTPELIER, VT., May 20.—E. D. Field, vice-president National Life marked the 40th anniversary with the company, when the home office and sales force throughout the country combined to do him honor. On his desk he found both business and beauty heaped—\$10,141,277 in new insurance applied for, result of a 24-working-day campaign in his honor, during which agents engaged in a sales campaign simulating a baseball contest, with the slogan, "The Field Is Fielding for Field." In addition to this large volume Mr. Field found his desk decorated with 40 Talisman roses and himself surrounded with congratulations from his fellow-officers and home office employees.

The drive which began April 12 and ended May 8, was one of the most exciting and successful campaigns ever staged, and much of the credit is due to F. S. Brynn, agency supervisor, who, under direction of Superintendent L. P. Brigham, had immediate charge of the drive. He planned it, assisted by E. C. Bergmann, agency auditor.

One of the general agencies in New York City, headed by E. T. Wells, turned in applications for slightly over \$1,000,000. The Central New York agency at Binghamton was second, with over \$750,000 and Los Angeles and the Leonard agency in New York were very nearly tied for third place, with slightly over \$500,000. Vermont state agencies turned in applications for \$370,000 in the 24 days, and gained 8th place in standing.

Mr. Field entered the National Life actuarial department when the late J. A. DeBoer was actuary. Here he became well grounded in fundamental principles.

SALES MANAGER WANTED

An Assistant Sales Manager wanted for the Life Department, another for Accident and Health Department of an aggressive western company. Age between 30 and 45 preferred with no alliances preventing almost constant traveling. Give full details of experience, age, domestic situation, dependents, etc., and enclose recent photo or kodak picture.

ADDRESS F-77, NATIONAL UNDERWRITER

ples. In 1902, when Mr. DeBoer became president, he selected Mr. Field as his personal secretary. In 1911 he was made superintendent of agencies. In 1922 he was advanced to second vice-president in charge of underwriting, and in 1934 he was made a vice-president. He is also chairman of the insurance committee and a member of the executive and finance committees.

Monday evening the National Life Athletic Association, of which J. C. Catnach is president, held its annual meeting and dinner at which Mr. and Mrs. Field were guests of honor. Superintendent L. P. Brigham was toastmaster.

Occidental Life Appointments

W. S. Hosking, controller of the Occidental Life of Los Angeles since February, 1933, is elected treasurer and John V. Hawley chosen controller to succeed Mr. Hosking. Mr. Hosking served as deputy insurance commissioner of Montana from February, 1919, to January, 1923, when he joined the State Life of Montana as treasurer. When that company was acquired by the Occidental in May of 1925 he joined the latter and was appointed its auditor in July of 1926. As treasurer Mr. Hosking will be charged with responsibility for the investment portfolio.

Mr. Hawley has been an employee of Transamerica Corporation and had many years of life insurance experience before that. He joined the Western States Life in San Francisco in 1911 and was executive vice-president at the time of its sale to the California States Life. He was then vice-president of the California-Western States Life up to 1935.

New York Life Men Meet

More than 60 agents from 32 counties of Ohio attended a meeting of the Columbus, O., agency of the New York Life. W. P. Stagg, manager of the Columbus area, was in charge, and speakers included G. M. Lovelace, New York, vice-president, and M. B. Flood of Pittsburgh, inspector of agencies.

Hill With Leonard Agency

Melvin H. Leonard, manager National Life of Vermont in New York, has appointed Robert B. Hill as production manager in charge of brokerage. Mr. Hill was formerly brokerage supervisor of the Boyce agency Connecticut Mutual and developed a large following. The Leonard agency has completed a four weeks drive which resulted in more than \$500,000 written business.

Banker Talks on World Trade

Gustav Riedlin, vice-president Bank of America in charge of international banking department and president for two terms of the Foreign Trade Association of Southern California, spoke at the luncheon-meeting of the Life Insurance Managers Association of Los Angeles on "World Trade Creates Local Jobs."

Phineas Prouty, Jr., Massachusetts Mutual Life, president Life Underwriters Association of Los Angeles and L. L. Archibald, Northwestern Mutual Life, spoke on Life Insurance Week plans.

J. H. Cowles, Provident Mutual, chairman legislative committee, discussed legislation affecting life insurance in California. E. E. Intlehouse, American National, was elected to membership.

Vancouver Managers Elect

VANCOUVER, B. C., May 20.—The Life Insurance Managers Bureau at its annual meeting elected: President, George Robinson, Mutual Life of Canada; vice-president, A. L. Wright, Sun Life of Canada; secretary-treasurer, James Therratt, Manufacturers Life. R. F. Borham, Monarch; A. F. Nation, Great-West; W. G. Shore, Metropolitan, and W. C. Gordon, Imperial, were named on executive committee.

914 years

of DEPENDABLE PERFORMANCE



"The Dependables"

A life insurance salesman who is achieving the earning objective which he has set for himself is happy in knowing that he is performing dependably for himself, family, agency and company.

To encourage more men to set and attain earning objectives consistent with their individual needs, The Connecticut Mutual has established a group known as "The Dependables," membership being based upon achievement of their earning objective, and carrying with it special honors and privileges.

That the formation of "The Dependables" has hit a responsive note among The Connecticut Mutual field force is evident from the 578 applications for membership, nearly 100% of all those eligible. Initiation into this unique group for those who attain their earning objective will be held at The Connecticut Mutual's national convention at Del Monte in June.

The
CONNECTICUT MUTUAL LIFE
INSURANCE COMPANY • HARTFORD

Agency Turnover Affects Volume

(CONTINUED FROM PAGE 1)

portance to be attached to a good persistency of agents and a good average rate of production among the agents. Although persistency of business is also important from other points of view, it has a smaller effect upon a 10-year program to achieve a given volume of insurance in force than does either of the other two factors. To estimate the effect of the three factors upon expense rates, the same factors of expense were assumed as were given in a paper entitled "Panics and Cash Values," in Vol. XXXIII of the society's "Transactions." It was found that over the years the persistency rate of the business written had the greatest effect. This was to have been expected, Mr. Linton commented, since this factor will be the governing one in determining the amount of new business that must be produced each year to achieve a given volume of insurance in force. Once that amount of new business has been determined, home office expenses are to only a minor degree affected by the persistency and average production of the agents responsible for the new business.

Reflected in Expense Ratio

Mr. Linton warned, however, that the same cannot be said about the expenses of the agency office. There the high turnover rate among the agents and their average production has a marked effect. If the head of the agency is to make enough money to support himself, the high cost of poor results is likely in one way or another to be reflected to a certain extent in the home office costs, Mr. Linton said, adding that this is a field which could profitably be investigated from a quantitative point of view.

Following are the tabulations giving detailed figures on comparative rates of

persistency of agents, average production per agent and persistency of business:

Contract Year	Agents Remaining at Beginning of Each Contract Year Out of 1,000 New Recruits		
	G	A	P
1	1,000	1,000	1,000
2	647	530	412
3	525	397	283
4	450	321	215
5	404	277	178
6	369	245	152
7	342	221	133
8	320	202	119
9	301	186	107
10	284	172	97

Contract Year	Average Production per Agent According to Contract Year (In Thousands)		
	G	A	P
1	\$ 90	\$ 72	\$ 54
2	124	99	74
3	151	121	91
4	171	137	103
5	183	146	110
6	190	152	114
7	198	158	119
8	206	165	124
9	214	171	128
10	221	177	133

The figures in the two columns A are based upon the results of the study of the records of about 7,000 whole-time agents during the year 1925 to 1930. The figures in columns G arise from using rates 25 percent better than the rates underlying A; those in columns P from using rates 25 percent worse than the rates underlying A.

Policy Year	Amount in Force at End of Each Policy Year		
	Good	Average	Poor
1	\$1,000	\$1,000	\$1,000
2	896	846	697
3	838	768	623
4	791	707	564
5	751	658	515
6	716	616	474
7	684	579	439
8	656	543	410
9	631	521	384
10	608	496	

Ohio Investment Ruling

Ohio life companies can invest in collateral trust notes of solvent corporations if average earnings over a seven-year period are at least three times interest requirements and if there have been no defaults on securities, the attorney-general has ruled.

News of Pacific Coast States

Seek Qualification Rule

California Life Insurance People Will Ask Carpenter's Assistance in Requiring Examinations

SAN FRANCISCO, May 20.—Life people of California are becoming increasingly interested in proper qualifications of agents and it is understood that as soon as the present legislative session is over the matter will be placed before Commissioner Carpenter for his aid in requiring periodic examinations and other evidences of proper qualification prior to issuance of a license.

Qualification has been the subject of study for the past several months, particularly by the research committee of the San Francisco Life Underwriters Association under chairmanship of N. J. Nelson, manager Reliance Life. As result of this study, during which qualification laws of other states were gone into thoroughly, particularly those of Ohio and expressions as to its efficacy secured from leading general agents, managers and personal producers of that state, a report was submitted to the board of the San Francisco association. Following unanimous adoption, which embodied a resolution endorsing establishment of qualification, it was submitted to all other local associations throughout the state and in turn, endorsed and adopted by them.

In Hands of State Body

Although there appears to be some objection in certain quarters, the entire plan which is patterned after the Ohio law is in the hands of the California State Association of Life Underwriters and it is expected steps looking toward its adoption will be taken shortly. It is understood adoption would require no change in the California law, even though agents of life companies were specifically excluded from the provisions of the agency qualification act adopted several years ago through efforts of the California Association of Insurance Agents (fire and casualty). Further support of the plan is expected from Commissioner Carpenter who is generally known to be in favor of elimination of unfit agents and proper qualification for those entering the business.

Under the plan of the life men there would be temporary license issued prior to examination and issuance of the permanent license as is the case in the fire and casualty business, otherwise, they point out, the "one case" man could still continue. In view of this it would be necessary that examinations be held weekly or at slightly longer intervals to avoid delay in issuance of the license. Under the present qualification law governing fire and casualty agents, examinations are held at three month intervals at strategic points temporary licenses being issued during the interim.

Agent's License Revoked

The agent's license of F. J. DeLisa former agent People's Life, was revoked by the California department following hearings in which it was brought out that he had violated the insurance code by failing to remit net premiums collected, by misrepresentations to the commissioner in submitting his application for license, by writing life insurance while his license was suspended and by his further misrepresentation to the commissioner to the effect that he was not indebted to any insurance company or general agent.

Amos Addresses Agencies

E. W. Amos, superintendent of the recently established accident and health department California-Western States Life, addressed a joint breakfast-meet-

ing of the company's two Los Angeles agencies, on the service offered by his department.

He also visited the Neil Nettleship agency in San Diego.

Open Claim Department

The Kentucky Central Life & Accident has opened a claim department at the home office with E. W. Steffy, formerly Paducah, Ky., manager, in charge. He was transferred from Cincinnati to Paducah in 1936. At Cincinnati he developed a method of handling claims which is being used in other offices of the company. He has made a specialty of claims.

C. J. Paschek to Cincinnati

C. J. Paschek, formerly assistant Chicago 1, has been promoted to Cincinnati manager by Monumental Life, succeeding W. J. Montgomery, who has been transferred to McKeesport, Pa., his former district. Mr. Montgomery opened the Cincinnati and Dayton districts for the company. Thomas Carroll, formerly McKeesport manager, is at the home office on a special assignment.

Endorse Zimmerman for Trustee

NEWARK, May 20.—The Life Underwriters Association of Northern New Jersey of which John Binns is president, has passed a resolution endorsing reelection of C. J. Zimmerman, general agent here for the Connecticut Mutual Life as trustee of the National Association of Life Underwriters. A general campaign has been started all over the country to reelect Mr. Zimmerman. After July 1, Mr. Zimmerman will be located in Chicago as general agent.

Headquarters Are Moved

W. B. Ford and R. H. Parsons, who recently have general agents for the Minnesota Mutual at Miami and West Palm Beach in Florida, have moved their agency headquarters to Charlotte, N. C., and Louisville, Ky. J. C. Hayden has been named general agent at Owensboro, Ky.

Minnesota Mutual Convention

ST. PAUL, May 20.—Final details are being arranged for the convention of the Minnesota Mutual Life in June. All those qualified have been advised to be in St. Paul June 12 to visit the home office. That same day the party will go by train to Chicago where they will board a lake steamer that will take them to Mackinac island. The party will reach Chicago on the return trip the following Wednesday.

New Columbus Manager

E. A. McNabb is the new manager of the Columbus agency of the Guardian Life. He formerly was engaged in insurance business in Fargo, N. D.

Diefenbach Was the Host

J. A. Diefenbach, sales supervisor at Madison, Wis., for the Connecticut Mutual was host at a luncheon to the general agents and managers of that city. The guest of honor was V. B. Coffin, superintendent of agents of the Connecticut Mutual, who gave a talk after the luncheon.

Jefferson Standard Texas Contest

The Houston and Dallas agencies of Jefferson Standard Life are pitted against the San Antonio agency in a contest running to June 25. There will be a banquet June 25 at which the winners will wear silk hats and the losers, Mother Hubbards and bonnets.

Patrick P. McDermott, retired insurance man of Dallas, died at the age of 73. For 30 years he was inspector and head of the farm loan division of a large life company. He was born in Ireland.

Life Insurance Opportunity

A legal reserve life insurance company with thirty years of successful operation offers an unusual opportunity for a man with a clean and successful record.

The man we are looking for will be not more than fifty years of age. He must have a good knowledge of life insurance, a car, and some local connections, as his work will be the appointment and training of new agents.

The compensation will be a salary and expenses, with suitable bonus for performance.

Correspondence is invited. Please give us any pertinent personal details and a brief resume of your business experience, particularly in the life insurance business.

ADDRESS F-73
THE NATIONAL UNDERWRITER

Interest Is Keen in Week's Effort

(CONTINUED FROM PAGE 1)

fast was Branch Rickey, vice-president and general manager St. Louis Cardinals. University and church heads, business and civic leaders were present.

The moving picture, "Make Way for Tomorrow," an adaptation of the story "Years Are So Long" was presented in theaters and local clubs throughout the country.

Boston.—Boston's observance started with an "Early Bird" breakfast attended by more than 1,000 agents. G. H. Harris, Sun Life of Canada, was speaker. Manuel Camps, Jr., presided. The Boston Life Supervisors Club met at luncheon, Commissioner DeCelles speaking. In the evening the Boston Life Insurance & Trust Council held its annual meeting, C. W. Wyatt, president Massachusetts Life Underwriters Association; L. J. Gordon, Boston General Agents & Managers Association, and Richard Baldwin, president Corporate Fiduciaries Association of Boston, speaking. Tuesday some 500 beneficiaries and friends of policyholders attended a tea and children's fashion show at a department store, sponsored by the women's division of the Boston association. The Boston association also sponsored a meeting in the John Hancock Mutual Life auditorium, Dale Carnegie, New York, author and radio lecturer, being speaker.

DeCelles on Social Security

Commissioner DeCelles talk on "The Place of Life Insurance in the American Home," stressed that life insurance money in the depression was the life blood of the country, giving greater relief than the government largess.

"The recent encroachment on the legitimate, time-proven field of private insurance by the social security act, plus hybrid plans often called investment trusts, is unwarranted," he said. "These plans escape the strict regulation under which life insurance operates in Massachusetts. These parasitic 'investment' plans take advantage of the marvelous reputation acquired during the depression by the institution of life insurance."

Chattanooga.—Observance was highly organized here. A play, "Taken at the Flood" was presented in a school auditorium. It was written by Bart Leiper, advertising manager Provident Life & Accident, and showed how life insurance operated in time of disaster. The cast was composed of employees of the Provident Life & Accident.

A luncheon was held, prize winning contest letters from Chattanooga students being read. A selling plan known as "50-5-5" was adopted at a meeting of the Chattanooga Association of Life Underwriters and carried out during Life Insurance Week, each agent pledging to make 50 calls, have five selling interviews and try to close five sales in the week. G. W. Johnson, Metropolitan, was general chairman.

Milwaukee.—Life insurance is the kind of security wanted today, rather than that type of security "conjured up in a moment of political expediency," A. H. Kollenberg, general agent Mutual Benefit Life, Grand Rapids, told Milwaukee agents at the "kick-off" breakfast. The Milwaukee Association of Life Underwriters was awarded first prize for best observance of the week in 1933. A goal of \$6,000,000 new business is set. Other Wisconsin associations participated. At Sheboygan, Kenneth Jacobs, Jr., Milwaukee general agent Connecticut Mutual, spoke. At Green Bay, Harold Noer, general agent Wisconsin Life, gave a talk. The Madison association heard Paul Speicher, Indianapolis, Research & Review, and Commissioner Mortensen. At Appleton, E. A. Dettman, C. P. A., discussed "Life Insurance and Its Relation to Taxation." The joint association of Neenah and Mena-

sha heard N. J. Williams, vice-president Equitable Reserve Association, Neenah.

Portland, Ore.—Two prizes to be competed for in addition to the \$1,575 cash offered in the letter-writing contest for high school students were offered by the local association, one for the oldest living policyholder in point of years, and the other to the person holding a contract for the greatest number of years.

Spokane.—Educational effort was stressed here under direction of E. R. Edgerton, general chairman.

Philadelphia.—Philadelphia observance reached a climax at a luncheon of the Philadelphia Association of Life Underwriters, F. S. Edmonds, attorney, speaking. A number of life company presidents were special guests, A. B. Levy, president, presiding. Mr. Edmonds indirectly attacked New Deal economic principles. He said the average American wants security that he makes for himself, and opportunity. Dr. S. S. Huebner attended.

Atlanta.—There was large attendance at a breakfast. C. J. Currie is general chairman. All publicity media were widely used. Banks cooperated with advertisements.

Dallas.—F. A. Cuscaden, vice-president Northern Trust Company, Chicago, spoke on "What Life Insurance Means to the American People."

Swedish Company Assumes Recruiting Responsibility

Responsibility for selection and qualification of ordinary agents, which in this country falls almost exclusively upon general agents and managers in the field, is voluntarily assumed by the Thule Life of Stockholm, Sweden, three of whose officers have been visiting in this country. The Thule Life, which last week became a member of the Sales Research Bureau, according to its officers' explanation of their methods, appears to have gone a long way toward improving the type of agents.

Some strict method of qualification is essential there for it is said 80 percent of the agents are part-timers, and it appears to be difficult to organize the business upon any other basis. The Thule Life officials therefore determined to raise the professional skill of the part-timers as well as of the whole time agents.

Have Comprehensive Questionnaire

This is done very largely by eliminating undesirables through requiring a high passing grade on a questionnaire which corresponds to a correspondence course. There are eight series of questions. Agents will not be contracted unless they satisfactorily answer at least three sets of questions out of the eight.

As explained by Vice-President Yngve Lunden, who has charge of this work, the recruiting is done very largely by mail. He sends personal letters to selected agency prospects, who are of the better educated class, such as engineers, educators, etc. If no response is received within 30 days, a second letter is sent, but if there is still no response forthcoming the prospect is dropped, as it is believed he would not be interested in selling life insurance if he would not be interested in replying to letters from the largest life company in Sweden offering a chance for advancement. This company has the equivalent of about \$225,000,000 in force and writes approximately \$20,000,000 annually.

Personalized Mail Plan

The direct campaign is completely personalized, responses being directed personally to Vice-President Lunden. The chief aim of the questionnaire system is to assure that all agents contracted will have a knowledge of life insurance fundamentals. Vice-President Lunden

has translated the entire correspondence course into English, printing it in a brochure which he has been leaving with various companies that he visited on his American trip.

With him were President Ragnar Blomquist and Yngve Beckman, manager of associated fire and casualty companies. They visited a number of Hartford companies, the Lincoln National at Fort Wayne, Ind., Mutual Trust Life in Chicago and also attended the Sales Research Bureau managers conference at Rye, N. Y. They were to sail this week on the return journey.

Increase Michigan Budget

LANSING, MICH., May 20.—An increase of \$24,000 in the insurance department budget is provided in an appropriation bill which is expected to pass the Michigan legislature. It provides for an increase of \$5,000 to \$7,500 a year in the commissioner's salary.

Two Occidental Appointments

Arthur C. Meyers is appointed general agent for the Occidental Life of Los Angeles at Cleveland, and E. B. Welch is named general agent in Huntington, Ind.

Mr. Meyers is a native of Spokane and was educated at the University of Washington. He was Cleveland manager for the Western & Southern Indemnity for six years prior to 1935 and later went into the general insurance business as head of his own agency, the Universal

Underwriters Agency, with headquarters in Cleveland and branches in several principal Ohio cities.

Mr. Welch is a native of Fort Wayne and a graduate of Notre Dame. His previous life insurance experience was with the Northwestern Mutual, which he represented in Fort Wayne.

Indians for Convention

Negotiations are under way to bring 100 Shoshone and Arapahoe Indians to Denver from Fort Washakie, Wyo., as a part of the entertainment features at the annual meeting of the National Association of Life Underwriters in Denver in August.

A. W. Bary Is Advanced

A. W. Bary, who started as an office boy with the Union Central in 1918 in the actuarial department, has been appointed manager of the new branch office accounts division of the agency department. He has served as assistant manager premium division, and since July, 1935, in the agency department.

Active in Club Affairs

Allen May, general counsel General American Life, was reelected president of the St. Louis Civitan Club, Adam Rosenthal, special agent Connecticut Mutual, has been elected treasurer of the St. Louis Supper Club composed of business men interested in public speaking.

★ MODERN LIFE INSURANCE SINCE 1845 ★



STATISTIC

A figure sleuth has discovered that the average length of service of Mutual Benefit men (excluding new men) who attended the 1936 Agents' Convention was something over thirteen years. An analysis of the "composite man" of this group shows that he began his service shortly after the post war depression, made "good money" during the boom, had to scratch like the dickens for his commissions during the Great Depression, and, still working hard, is getting better results for his efforts in 1936. His thirteen-year service record is at once a tribute to his ability and industry and to the Company with which he is associated.

The
MUTUAL BENEFIT

LIFE INSURANCE COMPANY • NEWARK • N. J. •

The growth of the Massachusetts Mutual Life Insurance Company is a story of 85 years of increasing service. The ideal of the founders to make the Company particularly a policyholders' institution has always been closely adhered to, and throughout the country the name Massachusetts Mutual has become a synonym for quality and excellence in life insurance.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

SPRINGFIELD, MASSACHUSETTS

Organized 1851

AMERICAN NATIONAL INSURANCE COMPANY

Galveston, Texas

W. L. Moody, Jr., President

Growth of Company

GROSS INCOME	\$18,601,158.53
Increase over 1935 \$2,615,728.45	
PREMIUM INCOME	14,929,025.31
Increase over 1935 \$1,734,226.33	
ASSETS	61,643,688.50
Increase over 1935 \$5,316,820.13	
INSURANCE IN FORCE	611,066,983.00
Increase over 1935 \$56,738,251.00	
CAPITAL	2,000,000.00
SURPLUS	8,132,431.63
Increase over 1935 \$1,059,520.07	

Operating from Coast to Coast, from the Great Lakes to the Gulf, in Cuba, Puerto Rico and the Hawaiian Islands.

GOOD TERRITORY STILL AVAILABLE

FEDERAL OFFICIAL OPENS EXHIBIT

(CONTINUED FROM PAGE 1)

in the insurance field. The exhibit was prepared under direction of Guerra Everett of the bureau of foreign and domestic commerce and arranged by Suzanna Mullett of the Corcoran School of Art.

"The Department of Commerce is glad to cooperate with the life insurance companies of America in dedicating this week to the services of life insurance, one of our great social institutions," Mr. Draper said. "I do not believe that it is possible for me to point to any branch of American business devoted to the promotion of the aggregate happiness of society whose potential services are greater than those fostered by life insurance."

"Years of honest and conscientious dealings on the part of insurance companies have built for this division of our business community an enviable reputation. During the recent depression our confidence in the strength and integrity of these companies proved to be fully justified. The result is that today we may say without exaggeration that public opinion in this country is virtually unanimous in regarding life insurance favorably. It has proved itself to be a sound protection which can be relied upon even in times of great stress."

Helps to Preserve Family

"The strength of any country lies in the strength and well-being of its family ties. It will be difficult to ruin a country if the people themselves voluntarily and collectively undertake to preserve their future welfare. As far as financial considerations are concerned, I believe that no influence, no power promoting that conviction, exceeds that which comes from life insurance."

"The sense of security and confidence which is experienced by the owner of insurance and his family as well contributes materially to a healthy state of mind."

"It is not too much to say that in this country a large number of our families are held together through a vast network of life insurance. In fact, it cannot be otherwise when it is understood that one out of every two Americans is insured. Thus by joining together and sharing each other's risks, we are able to guarantee to each member of the group a considerable degree of security."

The addresses were broadcast over WOL and the Mutual Broadcasting System.

George Hunt Responds

George L. Hunt, chairman of Life Insurance Week and vice-president New England Mutual, responded to Mr. Draper's address at a luncheon meeting of the District Life Underwriters Association.

"In behalf of life insurance companies," Mr. Hunt said, "it gives me the greatest pleasure to express their appreciation of the broad and splendid cooperation of the United States Department of Commerce, which is giving official recognition to the great nation-wide undertaking known as Life Insurance Week. The Department's cooperation is an illustration of the interest of the government in all plans and agencies that contribute to national welfare in the broadest sense of that term."

"I wish there were time to tell in detail what life insurance is doing for America. There is the amazing fact, for instance, that, while this country contains only 7 percent of the world's population, Americans own 70 percent of the world's life insurance. Life insurance in force today totals \$104,500,000,000 in maturity values. Every other American a policyholder—could there be a more eloquent tribute to the American love of freedom from worry than that which has made life insurance an inseparable part of the economic and social structure of this country?"

"Life insurance dollars are busy dol-

lars. While providing security and freedom from worry for the policyholders and beneficiaries, they also, through the investments of the companies, are helping build homes, finance farms, expand light and power service, communications, transportation and governmental enterprises; \$18,000,000,000 was paid to policyholders and beneficiaries during the period of 1929 to 1936, inclusive—a tremendous boon to a stricken country during the depression. Last year, alone, \$2,400,000,000 was paid by the companies—and more than 60 percent of this total went to living policyholders."

Mr. Hunt noted that emphasis is placed on service and education rather than sales. He termed this the greatest educational campaign ever attempted in life insurance. He also commented on the "Roll Call of American Youth," in which opportunity is given 5,000,000 high school students to compete for prizes which are given by local life underwriters associations for a 300-word letter on benefits of life insurance. This activity will serve to impress them with the great benefits of life insurance and make them familiar with its fundamentals.

"Life insurance is the one social instrumentality for which there is no substitute in our civilization," Mr. Hunt concluded. "We could get along without the aid of many of our most familiar material facilities for efficient living. But nothing can take the place of life insurance. If it were removed from the American scene, our civilization would be not only changed and limited, but enormously reduced in quality and power. It is the one financial social organism for which there is no substitute."

All America Benefited by Life Insurance Payments

(CONTINUED FROM PAGE 1)

ment spent in all its relief and "pump-priming" experiments.

"Life insurance is a natural allocation of funds created by private thrift against the necessities of life as well as untimely death," he said. "Every contributor sacrificed to set up these funds; he set aside provision in his days of plenty for the lean years to come. This builds character, creating in the individual the sterner stuffs of which American character is made." The money comes from current expenditure and is not diverted from necessities as is the case with much taxation, he said. In the mass this money does not come from the investing public, but from the "poor box of the parish." In this way the American people have built up deposits aggregating \$25,000,000,000, an average of less than \$400 per individual. These funds have gone to help develop transportation systems of the country, public utilities which have brought the benefits of modern gas and electric systems to many millions of people, etc.

One Criticism Is Lapses

He said the one criticism of the institution is the vast amount of insurance that has lapsed in the depression. More business has terminated in this country in the last 10 years than the total amount that was in force and probably this has occurred within a span of seven years, he said. He saw this as an indictment of the methods used and as a terrible waste. The institution needs better agents instead of more agents, he said. Life insurance is costing more to sell. In spite of the depression difficulties, however, the American people paid in more during the depression than ever before in a similar period and assets of the institution increased \$7,500,000,000, Mr. Adams said.

"The business of life insurance is trusteeship," he closed, "and, please God, it shall always be trusteeship."

Mr. Adams was introduced by W. M.

Houze, general agent John Hancock, Chicago. Frederick Bruchholz, president Chicago association, presided. P. B. Hobbs, agency manager Equitable of New York and chairman Life Insurance Week in Chicago, spoke. Among distinguished guests at the speakers' table were Col. C. B. Robbins, manager and general counsel American Life Convention; R. L. Davis, assistant insurance director of Illinois; A. S. Palmgren, secretary Illinois chamber of commerce; C. R. Davis, president Chicago Corporate Fiduciaries Association, and C. S. Darling, president Trade Association Executive Forum, Chicago.

An elaborate radio program during Life Insurance Week in Chicago was announced, it having started May 14 with a warning by the Better Business Bureau over WENR against using cash values to purchase other forms of investment. The Mutual Trust Life and Schwemm agency Great-West Life devoted their regular broadcast periods to the subject. Monday evening Messrs. Hobbs and Bruchholz and A. E. McKeough, vice-president Chicago association, took part in a three-cornered discussion over WMAQ of the purpose of Life Insurance Week.

J. Robert Johnson, Chicago broker and insurance commentator, spoke on "Life Insurance Week" over Station WCFL last week and will talk again Friday night on the same subject.

COFFIN AT INDIANAPOLIS

INDIANAPOLIS, May 20.—"The American public is sold on the idea of social security and the life underwriters of the nation are helping thousands of persons to supplement their old age income under the social security act with additional income provided by life insurance," said Vincent B. Coffin, superintendent of agencies Connecticut Mutual Life, at a Life Insurance Week luncheon here. Five hundred attended. Dan W. Flickinger, John Hancock Mutual, president Indianapolis Association of Life Underwriters, presided. The speaker was introduced by C. C. Jones, Jr. J. L. Rainey, general chairman for Life Insurance Week, directed the program.

"The public is expecting and demanding more and better life insurance service," said Mr. Coffin. "It is up to the life underwriter to become trained along professional lines and to meet the requirements of the insuring public in the many ways in which life insurance can serve."

Offer Complete Service

"The life underwriter who is properly qualified today cannot only sell policies but he can offer his clients a complete life underwriting service. He can offer policies and plans that provide educational funds, mortgage protection for the home, salary continuance plans, family income plans, savings and investment policies, old age income plans and a practical means for the protection of estates against impairment by inheritance taxes and other forms of depreciation. In fact, the well informed life underwriter can arrange life insurance programs that fit the needs of children, and men and women in a great variety of circumstances and needs."

"Qualifications for life insurance agents—life underwriters—are improving year by year, and the life insurance companies are selecting men and women for their agency forces with great care. Many states are setting high license qualification standards. One of the significant tendencies in the past 10 years is the vastly improved service to the public through adequate training for the life underwriter."

R. B. McCurry, associate editor, "Estategraph," Indianapolis, reported on arrangements with WIRE for broadcasting a talk on the NBC red network from New York.

H. F. Casey, formerly of San Francisco, has been placed in charge of the Massachusetts Protective service office and the agency office of the Paul Revere Life opened in San Antonio, at 906 Milan building.

Figures Given on Foreclosed Real Estate in Connecticut

HARTFORD, May 20.—Figures compiled by Commissioner Blackall show that institutional ownership of foreclosed real estate in Connecticut runs above \$64,000,000 in valuation, with about \$13,500,000 held by life companies. The data was collected for use in connection with bills pending in the Connecticut legislature to raise the limit of mortgage loans made by life companies from 50 percent to 66 2/3 percent of property valuation.

Mr. Blackall, commenting on the statistics, said the experience of life companies in their real estate investments in Connecticut has been very favorable. The five Hartford life companies Dec. 31, 1936, showed \$143,361,741 of real estate acquired everywhere but not used for home office purposes. This figure represents an increase of \$7,600,000 for the year. Their real estate holdings in Connecticut are valued at \$5,065,139, an increase of \$79,000 in 1936. The Aetna Life, Connecticut General and Travelers each had slightly more than \$1,200,000, and the Connecticut Mutual and Phoenix Mutual had about \$650,000 each.

Only nine of the more than 40 outside life companies authorized to do business in Connecticut had any Connecticut real estate on their books at the end of 1936. The total was \$8,535,517. The largest holder of foreclosed realty was the Equitable Life of New York with \$3,200,000. Prudential had \$2,700,000; Metropolitan \$1,400,000; New York Life \$750,000; Berkshire, Fidelity Mutual and Massachusetts Mutual each in excess of \$100,000.

Ohio National Appointment

W. A. McFall, who has become general agent of the Ohio National Life at Dayton, O., has had in mind for many years the idea of being a general agent. He had been connected with the National Cash Register Company in Dayton and on May 1, 1933, he went with the Northwestern National Life.

J. H. Westefeld has also taken his seat as district manager at Louisville in charge of north central Kentucky. He is a lawyer and while engaged in active practice became interested in life insurance. He studied life insurance from a tax standpoint and became an instructor in a Louisville agency. Then he started to sell life insurance.

Becomes Hoosier Farm Bureau

The Indiana department requested the Farm Bureau Life of Indianapolis to change its name so as not to conflict with the Farm Bureau Insurance Company. The two companies are allied with the Indiana Farm Bureau. The life company, therefore, becomes the Hoosier Farm Bureau Life. The officers are all members of the Indiana Farm Bureau. M. H. Ringer, who was formerly with the Alliance Life of Peoria, becomes office manager.

Loomis Visits Texas

While at San Antonio, Tex., President J. L. Loomis, Connecticut Mutual, spent several days hunting in Mexico on the famous Mangum ranch, where he was accompanied by Richard Gill, San Antonio loan representative, and Robert Barclay, vice-president the National Bank of Commerce of San Antonio. President Loomis was the honor guest of a banquet, given by G. A. Helland, San Antonio, Connecticut Mutual, and attended by members of the agency force, local medical examiners, and prominent business men.

After awarding Mr. Helland the president's trophy, in recognition of outstanding agency development, Mr. Loomis spoke briefly, emphasizing the value of women as life insurance agents and the great ease with which they may gain access to prospects and their ability to portray vividly services of life

insurance. He was the guest of a noon luncheon at the Houston Club, attended by the staff members of the Shepherd agency and a number of Houston business leaders. He returned home by way of Chicago.

Southland Has Meetings

With Col. W. E. Talbot, vice-president and agency manager Southland Life of Dallas, presiding, regional agency meetings were held at San Antonio, Brownsville, and Houston, Tex. Colonel Talbot, speaking on "Sales Plans for 1937," urged agents to point out to the employed certain facts about the benefits of the social security act and sell to them policies to supplement benefits to be derived from the fact. He stated that the agents may not hope to sell in competition with the act because of low cost and that there were great sales possibilities resulting from the fact that the act has made people conscious of benefits to be derived from a retirement income plan.

Lorry Jacobs, in charge of public relations, spoke on making the name of the company an asset to the agent in the field. P. V. Montgomery, vice-president and actuary, speaking on "Writing Better Business," emphasized responsibility of the man in the field both to the prospect and the company in providing the

company with all available information pertinent to the case of an applicant.

At San Antonio, Brownsville, and Houston, the meetings were attended by approximately 150 field men, who were the guests at luncheons.

Uncover Disability Racket

NEW YORK, May 20.—Federal agents have arrested 15 involved in an insurance fraud where policyholders having a disability clause in their contracts were contacted by chasers, taken to lawyers and then doctors who trained them to simulate some physical ailment, heart disease being the most common.

Boston Claim Men Elect

At the annual meeting of the Boston Life & Accident Claim Association, the following officers were elected: President, W. A. Robinson, Employers Liability; vice-president, J. W. Ayer, New England Mutual Life; treasurer, George R. Bacon, Massachusetts Accident; secretary, H. H. Noel, Equitable Life of New York, H. W. Nunn, Loyal Protective, retiring president, and H. E. Walker of Pinkerton's National Detective Agency, were elected to the executive committee for two years. E. J. Morris, superintendent of policy claims of the Equitable Life, was the guest speaker.

Let's Look at the Records!

Insurance in Force, Jan. 1, 1936	\$119,038,350
Insurance Issued during 1936	21,678,960
Net Gain in Insurance for 1936	7,370,862
Insurance in Force, Jan. 1, 1937	126,409,212

Do you know of any other Life Insurance Company our size, not having "Allied Lines", that equalled the above record during 1936?

**THERE MUST BE A REASON!
WHY NOT ASK ABOUT IT?**

Direct your letter to
A. B. OLSON, Agency Vice President



**GUARANTEE MUTUAL
LIFE COMPANY**

OMAHA, NEB.

Organized 1901

LICENSED IN TWENTY-ONE STATES AND THE DISTRICT OF COLUMBIA

1. Show your prospects the Monthly Income they will receive at age 65 under the Social Security Act

Many Underwriters are in the habit of carrying with them bulky and elaborate tables, in order to show how much Life Insurance is necessary to supplement Old Age Pensions provided by the Social Security Act.

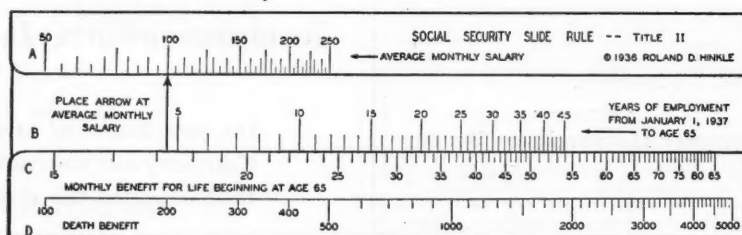
Such tables are now no longer required, since the "Improved Settlement Option Slide Rule," illustrated on opposite page, will give you even more complete information than any published tables, and will give it instantaneously.

The information ordinarily required in the attempt to sell additional Life Insurance to supplement Social Security Pensions may be summarized as follows:

- How much Life Insurance is required to raise the Social Security income at age 65 to the total minimum required by the prospect (\$100 a month, \$200 a month, etc.)?
- If the prospect wishes to retire before age 65, how much Life Insurance will be necessary to produce the same income he expects to receive at age 65, from the earlier age of retirement until the Government Pension begins?

Assume a prospect 35 years of age, with a monthly salary of \$150. The **Social Security Slide Rule**, illustrated in cut below, should be set with the arrow at the average monthly salary of \$150. The prospect, being 35 years of age, will have to wait 30 years before his Social Security Pension begins at 65. Thus, reading the figure on Scale "C", ("Monthly Benefit for Life Beginning at age 65") which is opposite the "30"-year line on the sliding scale (Scale "B"), we find instantly that the Social Security income beginning at 65 is approximately \$54 a month.

Social Security Slide Rule



PRICES

Single Slide Rules.....each	\$1.00	Lots of 50.....each	\$.75
Lots of 5.....each	.90	Lots of 100.....each	.70
Lots of 10.....each	.85	Lots of 250.....each	.65
Lots of 25.....each	.80	Lots of 500.....each	.60

SPECIAL—One each of the two rules—\$2.35

The Diamond Life Bulletins
420 East Fourth Street,
Cincinnati, Ohio.

Please send me Social Security Slide Rules @ each.

☐ Check Enclosed

☐ Charge my Account

Name Title

Company

Street Address

City and State

2. Next, without pulling a rate book, show the Insurance required to get total Income desired

In order to solve this problem, the "Improved Settlement Options Slide Rule" is now used as follows:

The difference between \$54 (the Social Security income at 65) and the \$100 a month required by the prospect at that age is \$46. Place the "Income Indicator" arrow on the sliding scale opposite the figure "46" on the "Income—Dollars per Month" scale. Set the hairline slider at age "65" on the "Income for Life—10 Years Certain" scale at the top of the rule.

SOLUTION. Read on the "Life Insurance—Thousands of Dollars" scale the figure under the hairline. This is approximately "\$6500", which is the amount of Life Insurance (or Cash Value) required to produce \$46 a month for life beginning at age 65, with 10 years income guaranteed.

Instead of the "10 Year Certain" Option, the "5 Year Certain" Option could have been used. By setting the hairline slide at age 65 on the "5 Year Certain" scale, the amount of insurance indicated to accomplish the same purpose would be about \$6000.

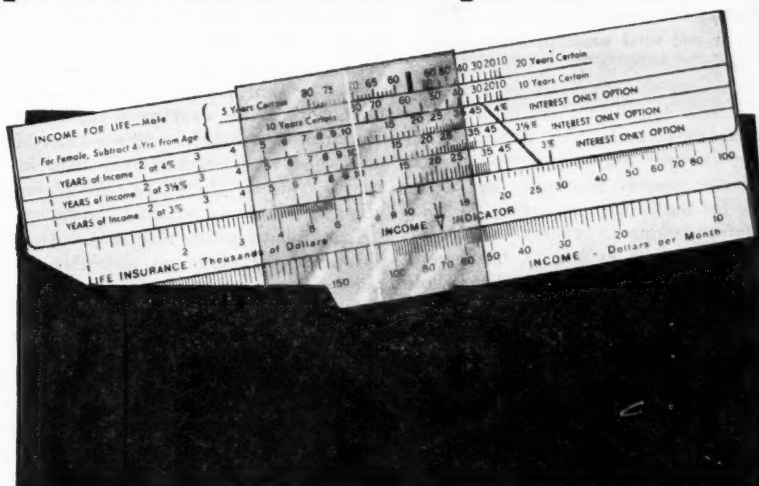
Life Insurance to Retire at 60 instead of 65.

Should a prospect desire to retire at age 60, and have a monthly income equal to the approximate \$50 Pension which he will receive at age 65, you can tell him quickly by a manipulation of the "Improved Settlement Options Slide Rule" how much insurance will be required under the "Years Certain Option" to give him this \$50 a month.

Thus, it becomes an extremely simple matter to solve any income problem connected with the Social Security Pension at any ages and for any monthly salary from \$50 to \$250 a month, as well as any problem involving supplementary Life Insurance either to increase the Social Security Pension at 65 or to start the Pension at any earlier age in order to bridge over until age 65 is reached.

A careful study of these two rules and familiarity with their operation will repay you many times for the small cost of the rules themselves and for the time spent in mastering them.

Improved Settlement Options Slide Rule



PRICES

Single Slide Rules.....each \$1.50	Lots of 50.....each \$1.10
Lots of 5.....each 1.40	Lots of 100.....each 1.00
Lots of 10.....each 1.30	Lots of 250.....each .90
Lots of 25.....each 1.20	Lots of 500.....each .80

SPECIAL—One each of the two rules—\$2.35.

SORRY: It has been very disappointing to us that we have not been able to fill orders for the Improved Settlement Options Slide Rule, some of which have been on file for 60 days. The manufacturer of these rules incorrectly folded the first lot, so we were compelled to ask him to make new ones. We now anticipate first deliveries about June 1.

The Diamond Life Bulletins
420 East Fourth Street, Cincinnati, Ohio.

Please send me Improved Settlement Options Slide Rules @ each.

☐ Check Enclosed

☐ Charge my Account

Name Title

Company

Street Address

City and State

EDITORIAL COMMENT

Insurance Sales Congresses

PERHAPS unique in any profession or business are the sales congresses held by insurance men. There are state sales congresses, tri-state sales congresses, company conventions, national conventions—all besides the regular monthly meetings of life underwriters' associations.

At least once each year every agent says to himself: "So we're going to have a sales congress. Shall I spend \$2.50 and a day of time attending—or shall I not?" It may be interesting to go back stage and see what goes into the manufacture of a sales congress.

No one who has not had the responsibility of producing a sales congress can have any notion of the time and effort involved. For those responsible, it starts out as a pleasant dream and finishes as a nightmare only when the last bill has been paid.

As the first step, the president of the underwriters' association, with the help of his brother officers, chooses chairmen of the various committees for the sales congress. And here the first difficulty arises. This man is too busy; this man will be out of town; various obstacles arise but eventually chairmen are selected and accept their jobs.

A luncheon meeting to which all are urged is held and attempts are made to select a date. But it is discovered that "mother's day" or "father's day" or "eat a prune week" or "life insurance week" or a community chest drive or what have you interferes with all reasonable dates. Finally three tentative dates are selected which seem to interfere as little as possible with other events.

The program committee goes to work to find speakers. Upon the galaxy of talent depends the success of the sales congress; there must be names that will attract attendance and there must be persons who can give a real message to those who come. Whom shall we get?

Everyone is canvassed for suggestions. Letters are written to officers of other associations. MAJOR HULL of the National association is asked for recommendations. Innumerable luncheon meetings are held by the committee. Remember that all of this time is being spent by men on commission who can ill afford to take time from a busy day and who not only have no chance of reward but are very likely to be put in the "dog house" when all the returns are in.

It is decided that there shall be some singing. Who will lead the singing? There must be a piano player. Who can play the piano? Nobody knows the words to any song. Where can we get

some song books? And as returns begin to come in from letters it is discovered that the program will be top-heavy with too many home office men or top-heavy with too many agents or top-heavy with too many general agents. It is always top-heavy in some direction.

Unfortunately it develops that two men whom the committee agree should come and who it is believed can be had, must come from long distances and hence there will be a considerable expense bill, and with the depleted state of the treasury, there is some doubt as to just where the money is to come from. Further difficulty arises from the fact that a little jealousy has crept into the committee because certain members want a man from their companies as speaker.

Finally arrangements are pretty well completed for speakers, the date is set, the time approaches and it is up to the publicity committee to get to work. Furnished with a list of speakers, subjects and the date, they have large posters printed and sent to every agency within a reasonable distance. They inveigle newspaper editors into giving as much space as possible. They visit nearby towns and cities, they have tickets printed and send some to every agency or every member.

And someone must keep track of every ticket sent out, must check up when the tickets come back with the money, if any. The girl secretary of the program chairman spends practically her entire time for the 60 days preceding the sales congress talking to printers, mailing out notices, mailing out tickets, telephoning members. She wishes by all that is holy that life insurance men could get along without having meetings to hear each other talk.

It is now time to print a program. Someone must decide whether it will be a booklet, a page, on what kind of paper and what size type. Shall we list the officers of the local association or not? What in the world are the initials of this speaker and was his previous connection with the MASSACHUSETTS MUTUAL or CONNECTICUT GENERAL? Shall we leave space in the program for notes or will anybody take any notes? Shall the cover of the program be red, green or brown? Shall we use this new circular wire binding or save money by stapling?

The programs are printed and then the publicity chairman goes into action, sending one to each of the speakers, to all governors, mayors and other dignitaries who have been invited, to every agency, to every insurance trade paper

and journal. The fateful day is approaching.

It now develops that the hotel at which the meeting was scheduled is having difficulty with its employees and there is every likelihood that the elevator boys, the chef and the waitresses will be on strike the day of the sales congress. Where to go? It is finally decided to take an option on the theater building which will not be in use the day of the sales congress and everyone can eat at the White Castle or Childs if necessary.

The big day is tomorrow. One man is sent to see that the theater manager will have the microphone in good working order. Another confers with the maitre d'hotel on last minute changes in the menu for the luncheon to be served. Another arranges hotel reservations for visiting guests. And while unlikely, it is still possible that one of the speakers and possibly one or two of the local boys will want a drink after the meeting and someone must decide whether it will be Bourbon, Rye or Scotch, who will pay for it and how much.

Each of the visiting speakers has been sent a copy of the program and—if the sales congress committees have been smart—has been told where his room reservation is and a man has been allotted to see that he gets to the meeting on time and is introduced to the presiding officer before the session and is properly escorted after the meeting. Whom are we going to have to take tickets? Who will keep a watchful eye on the room to see that windows are opened or shut and the carpenters don't start work in the next room right at a crucial moment? Who will see that the newspaper reporters are given their interviews and a chance to take photographs of visiting and local dignitaries?

Everything is in readiness. At 4 o'clock in the afternoon preceding the sales congress a telegram is received by the chairman of the program committee saying that the principal speaker is ill and cannot be in attendance. There is hurrying and scurrying and telephone calls and telegrams. Who is there within 250 miles who could do a first class job of substituting? The man is finally secured but his address tends to be in-

spirational and so we must shift speaker No. 2 to place No. 1, delay the luncheon 15 minutes and ask speaker No. 5 to cut his time from 50 minutes to 40 minutes.

At 9 o'clock the day of the sales congress customers begin to assemble. The president of the association, the vice-president and the chairmen of the various committees circulate about with an assumed air of nonchalance but with every nerve alert and with that mad look in the eye that comes only to those who hope their baby will say "Mama" when the visiting aunt looks at it in the manner which means "I think it moronic but I'm willing to be shown."

If you want fun, step up behind the president of the association or the chairman of the program committee any time during sales congress day and bang a tin pan or burst an air-filled paper bag, or even say "Hey" in a sharp voice. Either of them will jump as though he were a gangster in momentary danger of apprehension by the law. They have broken no law, they have committed no crime, they have worked hours and hours and hours for the past three months in the service of their fellow man—and yet they are as jittery as a bride at the first home-cooked meal.

But everything goes smoothly. The speakers arrive in good time and do an excellent job of inspiring, explaining, amusing. Each gives the crystallized experience of five, 10, 20 years of life insurance work. Each gives freely of the things he has learned by bitter experience that those who hear may profit. Each tells the things he has learned not to do and things he has learned to do and many is the agent who will profit for years by a phrase, a sentence, a diagram, an idea, a story, an approach, a close which he heard at the sales congress.

Well, the last customer has departed, the bills have been paid, the lights turned off and the officers and chairmen have gone home to bed. It has been a great sales congress. We are all better agents because of it. We will realize handsome returns on a very small investment. Our program book is full of notes. Yes, it was worth a day's time and \$2.50.

Real Sales Progress Shown

LIFE INSURANCE should be greatly heartened over the splendid sales showing for the first four months. Last year decreases marked the life production record from January to April while sales in other lines were increasing. This year started off with another January decrease but February followed with a 7.5 percent gain, March with 19 percent and April with 12 percent increases. Beginning with March the 1937 sales registered a substantial gain not only over

1936 but 1935 as well. The Life Presidents Association companies' sales totaled \$917,780,000 in March, 1937, and \$763,907,000 in March, 1935; \$832,373,000 in April, 1937, and \$729,109,000 in April, 1935. These two year gains indicate real progress.

A DETERMINED soul will do more with a rusty monkey wrench than a loafer will accomplish with all the tools in a machine shop.—Rupert Hughes.



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PERSONAL SIDE OF BUSINESS

Herbert Laffin, assistant counsel Northwestern Mutual Life, addressed the Milwaukee Gyro Club on "The Dignity of Labor."

C. J. Shea, president of the State National Life of St. Louis, who was president of the first aviation company in Missouri, the Pioneer Aeroplane & Exhibition Company, has loaned to the Missouri Historical Society documents touching on its operations, for exhibition in connection with the Lindbergh trophies at the Jefferson Memorial Building, Forest Park.

Dr. W. E. Thornton, vice-president and medical director Lincoln National Life, spoke before the Kansas Medical Association in Topeka on "The Relationship Between Clinical and Insurance Medicine." Dr. Thornton also appeared on the Kansas Sales Congress program at Topeka. He was presented an engraved pen and pencil set by the Kansas Life Underwriters Association.

Mrs. Elizabeth Dickson, mother of **Thomas H. Dickson**, medical director of the Minnesota Mutual Life, died in St. Paul.

C. B. H. Loventhal of Loventhal Bros. agency of Nashville has completed 208 weeks of consecutive life insurance production for the Northwestern Mutual Life. Lee J. Loventhal, his brother, is the leader in volume of business. Both the Loventhals have been active in a campaign to raise endowment funds for Fisk University in their city. In spite of this they kept up their production in magnificent shape.

John Boyle, Chicago, general agent Minnesota Mutual Life, will spend the latter part of the summer touring Europe by automobile. He will leave toward the end of July and will visit England, Scotland, Ireland and France. He will spend some time in county Donegal, Irish Free State, with his mother and other relatives.

Julius Asheim, an agent of the Equitable Life of New York at Portland, Ore., celebrated a double anniversary the other day, it being his 25th wedding anniversary and his 25th anniversary with the Equitable. Fittingly to commemorate these two important events he produced 50 completed applications for \$131,341 which was an application for each year that he had been married, plus one for each year he had been associated with the Equitable. He went on a production rampage in April and stood at the head of the list.

George Puchta, a director of the Ohio National Life and a former mayor of Cincinnati, died in Manila from pneumonia. He was accompanied on the trip to the Orient by G. F. Dieterle, vice-president of the company, who is returning to the United States with the body. His son, C. A. Dieterle, treasurer of Ohio National, was expected to meet him in San Francisco. His place on the board may not be filled for some time. College June 1.

J. Calvin Moss, 72, Union Central Life, district manager at Lynchburg, Va., for 40 years, died following an illness of two weeks. He was a prominent Baptist layman, being a member of the executive committee of the Southern Baptist Convention.

President **M. B. Brainard** of the Aetna Life organization has been elected a director of the New York, New Haven & Hartford railroad to succeed the late President Edward Milligan of the Phoenix Fire of Hartford.

Following the convention of the Massachusetts Mutual Agents Association in Chicago June 1-3, Vice-president

C. O. Fischer will attend the 25th anniversary reunion of the class of 1912, University of Illinois, in Champaign, June 12-14. Mr. Fischer is eastern district secretary of his alumni group. As general agent, first in Peoria and later in St. Louis, before going to the home office, he recruited many University of Illinois men including C. W. Reuling and K. E. Williamson, who succeeded Mr. Fischer as general agents in Peoria, when he went to St. Louis.

L. R. Luno, superintendent of agencies Mutual Trust Life, has been attending a number of agency conventions in Nebraska and Iowa, including Des Moines, Red Oak, Sioux City, Fort Dodge, Omaha, Lincoln, Waterloo and Cedar Rapids.

President **T. W. Appleby** of the Ohio National Life will deliver the commencement address at Tennessee Wesleyan College June 1.

H. V. Montgomery, general agent of the State Mutual Life at San Francisco, is confined to his home following an operation for appendicitis. He was just recovering from an injury to his foot when he was stricken.

Employees of the **Ohio National Life** were guests of the management in its recreation hall during the broadcast of the Coronation Program, Wednesday afternoon. Because of the historical significance and the influence on world history, said President Appleby, the company felt that its co-workers should have an opportunity to hear the events of the coronation as they transpired in London.

H. A. Zischke, Chicago manager of the Union Central, observed his birthday at an agency luncheon at which he was host and Vice-president Jerome Clark was a guest. Mr. Clark, who stopped in Chicago on an agency trip, spoke informally.

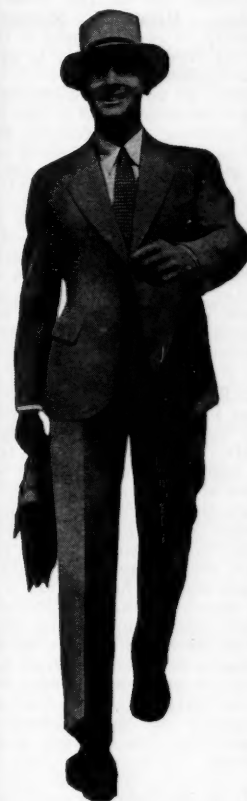
C. A. Macauley, general agent of the John Hancock in Detroit, was host at a buffet lunch in that city this week which was complimentary to his son, W. T., who is becoming associate general agent for Michigan, and to M. Louise Wilson, who is in charge of the Macauley agency brokerage department. B. K. Elliott, vice-president and general counsel, and C. J. Diman, vice-president and secretary, were guests of honor. The son has been in life insurance work in Portland, Ore., for some time and has just returned to assist his father.

Mr. and Mrs. **A. P. Labbe** and family of Van Buren, Me., are in London, where they attended the coronation. Following a brief stay in England they will go to Nice, France, for the International Rotary meeting, to which Mr. Labbe is a delegate. Mr. Labbe is the manager in northern Maine for the Union Mutual Life.

W. R. Thompson, 64, for 25 years Milwaukee manager of the Pacific Mutual Life until his retirement 15 years ago to engage in another business, died there after a year's illness.

Not only did Topeka, Kan., secure two of the chief positions in the official ranks of the Kansas State Life Underwriters Association but it so happens that both these officials are in New

Accident Business Is Good — for sales pointers read *The Accident & Health Review*. Sample copy 10 cents. Address A-1946 Insurance Exchange, Chicago.



Step Out

WITH

Yeomen Mutual Life

If you aren't satisfied with par — if you're out for birdies and eagles, in business as well as on the links — then there's a real place for you with this fast-growing, 40-year-old company. Splendid agency openings now available.

YEOMEN MUTUAL LIFE INSURANCE COMPANY
A. H. Hoffman, President Home Office, Des Moines, Iowa

CONTESTS

In addition to volume of business Protective Life tries to make its contests help its agents reach other important objectives. They are rewarded according to the objectives attained.

Among these are:

1. Larger average size policies
2. Quality prospects
3. Settlement with application
4. Improved persistency record
5. More business on present policyholders
6. Annual premium business.

The agent benefits through increased income from both first year and renewals, time saved in delivery, and a widening circle of contacts among quality buyers.

Protective
LIFE INSURANCE CO.
BIRMINGHAM, ALABAMA.
S. F. Clabaugh, President

JUVENILE INSURANCE

A plan for every
purpose—
issued from ages
1 day to 15 years

- 20 Payment Endowment at Age 85
- 20 Payment Endowment at Age 65
- 20 Year Endowment
- Educational Endowment at Age 18

SINCE 1848



England building in their city. Lyman E. King, who was elected president, is general agent of the New England Mutual Life, and it is quite proper that he should be in the New England building. Hiram W. Moore, the new secretary, is general agent of the Mutual Life of New York and is also in the New England building.

Here is another coincidence. Mr. King's entrance is 603 in the New England building. Mr. Moore is 306. Therefore one can read backward or forward and always get a lucky number.

Harold Reise, well known consulting actuary, 30 North LaSalle street, Chicago, who does all the work for the Catholic Order of Foresters and for a number of other fraternal and companies, is in a state of high enthusiasm because of the birth of Nancy Jean, his first born.

L. S. Williams, Minneapolis, general agent Pacific Mutual Life, spent an uneasy weekend. Last Saturday a clerk in Mr. Williams' office, on the way to the bank, lost an envelope containing \$9,300 in checks and cash. All Saturday afternoon, Saturday night and most of Sunday Mr. Williams hugged his telephone, hoping some honest person had found the package and would return it.

Late Sunday he received a telephone call from a garbage collector who had picked up the envelope on the sidewalk but in his hurry to start on a weekend fishing trip did not bother to open it. On his return home Sunday he thought of the envelope, opened it and found the money and Mr. Williams' name. He caught few fish but got a substantial reward.

H. E. McClain, former Indiana commissioner, has become manager of the insurance department of the Union Trust Company of Indianapolis.

Most Progressive Agency

The E. H. Small agency of the Lincoln National Life in Seattle has been named "most progressive agency" for the first quarter, according to an announcement by Vice-president A. L. Dern. Runners-up for the honor were the J. H. Geer agency, Akron, O., and the northern Indiana agency with headquarters in Fort Wayne, Ind.

To be eligible for this award, agencies must have made their recruiting and production quotas for the first quarter and must have exceeded the average sized policy and average persistency rate. The percentage by which the production, average sized policy and persistency rate were exceeded determined the positions.

Aggressively Developing State of Illinois Offering Unusual Agency Opportunities

Liberal First Year Commission and Non-forfeitable
Renewal Commissions
Assistance in the Field Home Office Co-operation

GLOBE LIFE INSURANCE CO. OF ILLINOIS

WM. J. ALEXANDER, President
An Old Line Legal Reserve Company—Established 1895
40 Years of Continuous Faithful Service
to Policyholders

Writing Complete Line of Modern Policies with
All Standard Provisions
Ages (0-60)

Double Indemnity — Disability — Non-Medical
Modern Juvenile Contracts Full Benefits Age 5

WRITE US TODAY FOR PARTICULARS

431 South Dearborn Street

Chicago, Illinois

NEWS OF THE COMPANIES

Bankers Mutual Report Made

Illinois Department Finds Company in
Good Cash Position and Its
Investments Excellent

The Illinois examination of the Bankers Mutual Life of Freeport, Ill., as of Oct. 1, 1936, shows assets \$1,094,010, unassigned funds of non-tabular business \$830,938. There was a deficit on the tabular at \$2,001 at the time of the examination but subsequent to the date of the report contributions had been made to the surplus which removed the impairment. The report says that the investment portfolio consists of high grade securities and the cash position is good. Its claims are paid promptly on proper proof and in accordance with the contract.

Writes Only Tabular Business

On Jan. 1, 1936, the company discontinued the writing of non-tabular business and at present issues contracts on the tabular reserve basis to white male and female risks to age 60 on the participating plan. Juvenile contracts are restricted to the endowment plan with benefits graded. Non-medical policies not exceeding \$2,000 are written on male and female risks up to age 45.

Effective Jan. 1, 1936, the writing of instalment disability was discontinued. At present waiver of premium benefit is granted only through policy riders when applied for.

The premium income up to Oct. 1 was \$404,683, total income \$436,994, paid policyholders \$249,389, total disbursements \$364,868. It wrote during the nine months \$1,135,000 and had in force \$26,873,425. The previous year its new writings were \$3,996,000. The ratio of first year commissions to new premiums the first nine months was 65.4 and ratio of renewal commissions to renewal premiums 18.6.

Proposes a Lien on Policies

Cincinnati Mutual Life Desires 25 Per-
cent Be Placed on Reserve at
4 Percent Interest

The Cincinnati Mutual Life which was formerly the Knight Templars & Masonic Mutual Aid, has proposed to policyholders that the company be allowed to place a voluntary lien of 25 percent against the reserves, to bear interest at 4 percent. It informs policyholders that the lien and the interest will be insured by the company on the yearly term plan so that in case of death the face amount of policy without any deductions on account of the lien will be paid. It declares that the purpose is to increase the surplus. No part of the lien will be used for expenses.

The company further states that whenever at the end of each calendar year the assets, exclusive of outstanding liens, exceed the liabilities to the extent of 10 percent, and 10 percent of all outstanding liens, the amount of the lien shall be reduced not less than 10 percent and such further amount as may be determined by the directors.

J. G. Means Goes with the Bankers National, N. J.

J. G. Means of Philadelphia has been appointed assistant to the superintendent of agencies by the Bankers National Life of New Jersey. Mr. Means has served the Travelers for a number of years, his last position being assistant manager in Philadelphia. Recently he has been with E. H. Weltz & Co. of Philadelphia.

For the present he will be engaged in supervisory work in Pennsylvania.

Massachusetts Mutual Data

Company's Quarterly Board Meeting
Shows Figures Reflecting Business
Conditions Improvement

President B. J. Perry of the Massachusetts Mutual Life, in reporting to the quarterly meeting of the board, called attention to its figures as reflecting improvement in general conditions.

Insurance in force increased \$13,354,910 the first quarter, as compared with a gain of \$22,613,140 for the entire year 1936. Gross increase from interest and rents on a cash basis for year ended March 31 was the highest it has been since Nov. 30, 1932.

"It is worth noting," said President Perry, "that amounts paid for surrendered policies showed a decrease of \$588,116 in the first quarter, and that there has been a decrease of 12 percent in number of outstanding premium loans the last 12 months."

An increase of 6 percent in average size of policies issued in the first quarter over the same period a year ago, is shown. Further reflecting improved conditions, it is noted that term plans represent a smaller portion of total sales and that limited payment life and endowment contracts represent a proportionate increased ratio to total sales, in the first quarter as compared with the same period last year.

Williams Says Columbian Mutual in Good Condition

JACKSON, MISS., May 20.—Addressing a meeting here of agents of the Columbian Mutual Life, Commissioner Williams of Mississippi declared the company "was never in better financial condition" and predicted the continued growth of its business in Mississippi and elsewhere in the south.

Referring briefly to suits filed at Memphis recently by holders of old fraternal policies, he said he had made an exhaustive examination of its affairs last March and found them in "excellent shape."

The Alabama and Tennessee commissioners participated in the examination, he said, and agreed with the Mississippi department's conclusions.

Vice-president Thomas Thrash told Mississippi agents the company increased its business written in April 40 percent, as compared with the same month last year.

Hobbs Denied Intervention in Federal Reserve Case

TOPEKA, KAN., May 20.—Federal Judge Phillips of Denver, recently assigned to special work in Kansas and specifically given jurisdiction of the Federal Reserve Life receivership case in place of Judge Hopkins, has denied the application of Commissioner Hobbs of Kansas to intervene in the receivership. Mr. Hobbs sought to prevent removal of \$1,393,793 of Federal Reserve deposits from his jurisdiction. Judge Phillips authorized the Occidental Life, reinsuring company, to withdraw the securities. They will be administered by the Occidental at Kansas City, Kan., according to the terms of the reinsurance contract, along with \$1,016,176 already removed from the Kansas department.

Judge Phillips asked and accepted the resignation of J. S. Koehler as attorney for the receiver of the Federal Reserve, following charges by Judge Hopkins that Koehler had accepted \$5,000 from the Federal Reserve, in return for which he allegedly postponed for a year the suit which resulted in its being adjudicated bankrupt. Judge Phillips appointed a special committee of Kansas lawyers

to investigate the charges. He also asked the committee to investigate the part played in the transaction by J. H. Brady, who allegedly paid the money to Koehler for the Federal Reserve. Brady has been a special master in the receivership case.

Eureka Mutual Now Independence

The Eureka Mutual Life Association of San Francisco, a so-called chapter 8 company, is being reorganized under the title of Independence Life, which will

be a chapter 9 company. Officers of the new company will be the same as the old. This concern has the same officers and directors as Benjamin Franklin Life. C. F. Parr is president. Independence Life has made statutory deposits and the management states that all business will be written on a legal reserve basis.

Cochrane's Ouster Asked in Report on the Colorado Life

DENVER, May 20.—Recommendations for a thorough investigation of the insurance commissioner's office and removal of Commissioner Cochrane were made in a report by the special insurance investigating committee from the Colorado house, which has been investigating the Colorado Life.

In its report, the committee found the Colorado Life solvent and in a strong financial position and that its policyholders are "fully and amply protected."

Other recommendations of the committee are:

Appointment of an interim committee to go more fully into operations of life insurance companies and to recommend "suitable legislation." Passage of legislation "to prevent stock subscription blanks from containing anything save a clear, concise statement of the contract without reference to other documents."

Restrict Liens

Enactment of legislation to prohibit liens against policies "except for cash actually advanced on the policy and signed for by both the policyholder and the beneficiary."

Legislation to protect stockholders from company control by a minority.

Action by the insurance commissioner or attorney-general to eliminate sale of stock or bonds to policyholders in an insurance company.

The report was signed by all members of the committee headed by Herman Kline.

The methods used in financing the Colorado Life and the Gibraltar-Colorado Life were criticized by the committee and the points made are reflected in the above recommendations.

The report concluded with the recommendation that "the present insurance commissioner be replaced with one displaying more interest in said office and with a better knowledge of the law governing his acts," after stating that Commissioner Cochrane took no interest in the affairs of the Colorado Life.

tures. The officers have been seeking reinsurance. One proposed merger was with the Royal Highlanders of Lincoln, but this fell through.

No Change in Management

No change in the management of the Security Mutual Life of Nebraska will be made following the death of Elmer B. Stephenson, former president and at the time of his recent death chairman of the board. In anticipation of his death, foreshadowed for months because of his age and a weakened heart, Mr. Stephenson, who directed the company for nearly 20 years, had arranged with his colleagues and directors for uninterrupted management and control.

Set New Monthly Records

A total of 40,812 applications in April—6,231 applications above April, 1936—set an all-time monthly production record for Mutual Benefit Health & Accident of Omaha.

An all-time April record of \$5,476,200 of new life business submitted also was set by its companion company, the United Benefit Life, an increase of \$2,258,550 over April, 1936.

The records were suitably observed by presentation of a birthday cake and the applications to Dr. C. C. Criss, president. Dr. Criss carved the cake and sent a piece to each branch agency.

Cosmopolitan Litigation Continues

LINCOLN, NEB., May 20.—District Judge Frost has refused to disqualify himself to hear the case involving the Cosmopolitan Old Line Life. Objection was made on the ground that he is an officer and stockholder of the Midwest Life, alleged to be interested in the purchase of the Cosmopolitan. The court found that the Midwest had no interest whatever and that there was no showing of bias or prejudice on his part. The court sustained objections of the department of insurance, now in charge of the Cosmopolitan, to bringing into

the suit former directors and present officers, whom intervening policyholders wanted barred from taking part in the proposed reorganization. The court announced he would hear the issues raised by policyholders and determine at the conclusion of the lawsuit whether they were proper parties to intervene.

Will Enlarge Building

The Connecticut General Life will make its building addition six stories instead of three, spending \$300,000. The additional plans were made after the company's basement vaults were flooded a year ago, and the original sum allotted was \$140,000.

New Carrier Absorbs Three

The Physicians Life has been organized in San Francisco to take over the business of the Mt. Moriah of San Francisco, Redwood Mutual Life of Fresno and United Hospital Service of Sacramento. It will operate as a so-called chapter 9 company. The head office is at 333 Kearney street. H. L. Hauck is president. He states that it has about 30,000 policyholders. It will write life, health and accident and hospital policies.

Observes Founder's Week

Founder's Week, paying tribute to Thomas F. Daly, who founded the Capital Life of Denver 32 years ago, will be celebrated next week. Each agent is being urged to secure one application during the week.

Now Home Loan Bank Members

The National Equity Life of Little Rock and the Amicable Life of Waco, Tex., have been admitted to membership of the Federal Home Loan Bank of Little Rock.

The Illinois department has issued a report of the examination of the Central Benefit of Chicago as of Dec. 1, 1936. It has 279 members. Its income for the 11 months was \$4,589 and disbursements \$3,178. It has \$4,344 assets and \$82 in liabilities.

Desirable Territory in ILLINOIS and INDIANA

with a sound progressive organization

Write to

RURAL BANKERS Life Insurance Co.

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South Bend, Indiana

RURAL BANKERS Life Insurance Co.

1106—130 N. Wells Street
Chicago, Illinois

John V. Sees, President

Outstanding by any STANDARD of COMPARISON

70TH
Anniversary Year
1867 - 1937

EQUITABLE LIFE
INSURANCE COMPANY
OF IOWA

Smrha Seeks to Take Over Pathfinder Life, Nebraska

GRAND ISLAND, NEB., May 20.—Insurance Director Smrha has filed a petition in district court asking that the officers of the Pathfinder Life, formerly the A. O. U. W. of Nebraska, a fraternal, be ordered to deliver to him all assets, records and papers, and that if it be found impossible to reinsure or rehabilitate the company that he be appointed receiver with authority to effect a complete liquidation.

The petition sets up that an attempt in 1935 to purchase a Wichita company, which it could not legally do, resulted in intervention by the department and forced a change of officers, but that did not improve its situation. On the contrary, for the next year the company lost 150 policyholders and \$1,273,000 in force.

In 1936 another change of officers was effected, but in that year 309 policies lapsed. Mr. Smrha said that the company had lost money in an attempt to enter Wyoming and is now planning to sell health and accident insurance in Kansas. He thinks that the company should not be allowed to further expend any of its resources, and that it is necessary to conserve them to meet maturities.

Some time ago suits were filed by two groups of policyholders asking for a receivership, and an order requiring officers in control to account for expendi-

TIME LIMIT

"How long will it take me to earn a living?" is a question invariably asked by the person considering a career in life insurance. This is the first question which any sales plan must answer. It goes to the roots of the sales problem. It requires that a plan be tested and its value demonstrated; that it offer a long and short range view of a goal. It must present problem and answer every step of the way. Last and most important, it must be powerful enough to sell itself to the men and women to whom it is offered. The State Mutual Coordinated Sales Plan fills these requirements and sets the time limit.

STATE MUTUAL LIFE ASSURANCE COMPANY

of

WORCESTER, MASSACHUSETTS

Incorporated 1844

Over 93 Years a Synonym for Security

LIFE AGENCY CHANGES

Joining the Mutual Benefit

M. L. Woodward Becomes Sales Director for Johnston & Clark Agency of Mutual Benefit Life

Johnson & Clark, general agents of the Mutual Benefit Life at Detroit, announce the appointment of M. L. Woodward as director of sales. He has long been identified with life insurance in Detroit and Michigan. After graduating from the Detroit University School in



M. L. WOODWARD

1902, he attended both the University of Michigan and the University of Wisconsin, graduating from the latter institution in 1907. After leaving Wisconsin he graduated from the Frank L. McQuade School for Mail Order Advertising and then wrote advertising copy for the advertising firm of Lord & Thomas. Then he entered the sales department of the National Cash Register Company and graduated from its training school for salesmen. He sold for that company for two years, when he was asked to handle the specialty sales of the old C. H. Little Company in Detroit, later known as the United Fuel & Supply Company.

Enters Life Insurance Work

In 1912 the opportunities of successful life production were made known to him by E. M. McMahon, a college friend, who was then the co-associate of Dr. C. E. Albright, who up to June 1 last year led the Northwestern Mutual field forces every year for 30 successive years. Mr. Woodward was particularly fortunate in having an arrangement effected so that he could office his first year with Dr. Albright himself. At the conclusion of one year Dr. Albright left the Detroit field, when Mr. Woodward associated himself with the agency of the late W. T. Gage, at that time general agent of the Northwestern Mutual at Detroit. Mr. Woodward soon developed into one of the outstanding salesmen, his production record exceeding better than \$1,000,000 annually in the Northwestern alone.

In 1924 he was appointed general agent to succeed Mr. Gage. Within three years from the time he became general agent, the business of the Detroit agency was more than doubled. He continued to represent the company as general agent until 1935, when his health demanded that he relinquish the responsibilities, and since that time he has devoted himself in an effort to regain his strength.

He returns to the life insurance field fully recovered, and has accepted the important responsibilities of director of sales of the general agency of Johnston

& Clark. This agency was established some 40 years ago and has been an outstanding agency.

Mr. Woodward wrote the booklet, "The High Way to Success," published by the Diamond Life Bulletins of Cincinnati. He is nationally known for his talks and writings on life insurance.

Republic National Life Has Made Some Appointments

The Republic National Life of Dallas has made a number of general agency appointments.

C. A. Mitchell, formerly of Ponca City, Okla., is moving to Texas as general agent at Lufkin. W. T. Pink becomes general agent at Ponca City. E. G. James has been appointed general agent at Enid, Okla. J. V. Hoover, formerly supervisor in Oklahoma, has become manager at Oklahoma City.

C. D. Williams of Vernon, Tex., has been made manager for the northwestern section of the state. His agency produced \$1,000,000 in business last year.

L. S. Day has been appointed general agent at Houston. He has been an agent for the last year. For 10 years previously he was general supervisor for the Interstate Company that has retail concessions on many of the railroads, steamship lines, bus lines, etc.

Bankers National Appointments

The Bankers National Life has appointed P. H. McCormick general agent for West Chester, Pa. He has been in the general business for many years. He gained his life experience with the Prudential, and Mr. McCormick now plans to devote his entire time to building a life agency.

Nathan Goldberger has been named general agent for Perth Amboy, N. J. Mr. Goldberger has for many years been engaged in the real estate and insurance business. He is now planning to concentrate on personal production.

Juergens Kansas City Manager

C. H. Juergens, formerly assistant superintendent of claims in the home office of the Mutual Benefit Health & Accident and United Benefit Life, has been appointed Kansas City manager, succeeding Ira H. McRae, resigned. He graduated from Creighton University law college in Omaha in 1930, shortly afterward entering the home office claim and legal department. Since joining the companies he has spent much of his spare time in the field carrying a rate book.

Oklahoma Agency Changes

Carl P. Landrum of Oklahoma City has been appointed Oklahoma general agent of the Ohio National.

O. R. Jones has succeeded M. H. Norwood as Oklahoma City general agent of the National Equity Life.

C. W. Fowler, formerly special agent in Oklahoma City of the Guaranty Life, has been made general agent.

Thayer Takes Midwest Life

J. Logan Thayer of Wichita, Kan., who has been district manager of the Reliance Life, has been appointed general agent there for the Midwest Life of Lincoln, Neb.

Toledo Appointment Made

The Home Life of New York has appointed Stanley G. Jones general agent in Toledo, O., with offices at 1202-4 Edison building. A native of Ohio, and formerly field representative for Ohio Wesleyan University, Mr. Jones is widely known in educational circles. As alumni field representative, he was largely responsible for the successful

campaign for endowment funds for his alma mater.

He entered insurance in 1926 and has been continuously associated with the Bankers Life of Des Moines. He is a substantial personal producer and is experienced in organization work. He has been a resident of Toledo for the past six years.

Ohio State Appointments

The Ohio State Life has appointed J. A. Berko general agent at La Salle, Ill., in charge of Putnam, Livingston, Kankakee, Grundy, La Salle and Bureau counties. He formerly was with the Wisconsin National.

C. M. Buddinger is appointed general agent at Jersey Shore, Pa. He formerly was with the Metropolitan Life and the Baltimore Life.

Taylor Agency Assistant

F. G. Taylor has been appointed agency assistant in the Bay Street, Toronto, office of the Mutual Life of Canada. He has been with the agency since 1924. He is a son of J. G. Taylor, formerly manager of the branch.

Fitzsimmons to Brown & Sons

J. R. Fitzsimmons has been appointed manager of the life insurance department of the Edward Brown & Sons general agency of San Francisco, which represents the Jefferson Standard Life in northern California. He was formerly in charge of life insurance activities for Cosgrove & Co.

Thomas to American Reserve

Marion R. Thomas has been appointed general agent for the American Reserve Life for Montgomery, Adams, Taylor and Page counties with headquarters in Red Oak, Ia. Mr. Thomas has been a district agent for the Connecticut Mutual Life.

Life Agency Notes

J. W. Adams, Jonesboro, Ark., formerly of Little Rock, has been appointed district supervisor for the Pyramid Life.

A new agency of the Mutual Life of New York has been opened in DeQueen, Ark., by W. P. Ball. His territory will include Mena, DeQueen and Ashdown counties.

L. R. Porter, retiring secretary-treasurer and newly elected vice-president of the Kansas Life Underwriters Association, has been elected fourth vice-president of the Wichita Metro Club.

Made Assistant General Agent at Little Rock, Ark.



FOSTER VINEYARD

The Aetna Life has appointed Foster Vineyard assistant general agent at Little Rock, Ark. He will assist General Agent G. H. Campbell in agency affairs, with which he has had extensive experience the past five years as supervisor of the Little Rock office.

He is a licensed attorney. Mr. Vineyard is a C. L. U. and is active in civic affairs and in the Life Underwriters Association.

CHICAGO

SYLVANUS AGENCY'S RESULTS

The Alfred Sylvanus agency Minnesota Mutual Life, Chicago, has ended its first year with rank of sixth place in paid premiums. The office was started from scratch one year ago in April and now has 10 full time producers, five of whom will qualify for the cruise-convention on the Great Lakes in June. During the year over \$50,000 in paid premiums were turned in. Mr. Sylvanus led the entire company in paid premiums during March. All producers used the company's prepared sales canvass.

* * *

BUDINGER AGENCY RECORD

The F. J. Budinger agency Franklin Life, Chicago, reports its paid business so far in 1937 as 35 percent better than that last year. Written business is 60 percent better. The office has led the company each month of this year in paid business and has qualified five of its producers to attend the convention in Colorado Springs this summer. J. E. Duffy of the Budinger agency led the company in paid business for April.

A recent feature was a one week production contest with Sidney Eckstone, who joined the office as unit manager last November and who has led the company's field force in four months out of the six he has been affiliated with it, pitted against the rest of the agency force. The occasion was Mr. Eckstone's silver wedding anniversary, May 9, and the week previous he challenged other salesmen, winning by turning in 13 paid for applications. His paid for business from Nov. 1 to May 1 has totaled \$273,000.

* * *

OPENS REALTY OFFICE

Catherine A. Boyle, wife of John Boyle, Chicago, Minnesota Mutual Life general agent and a partner in the agency, is opening an office June 1 in 222 West Adams street building to operate a real estate and building management firm. She will represent several life companies in their realty dealings in that city. Branches will be established later on the north, west and south sides, to be known as the Boyle Realty Company. The life and the real estate offices will be run as separate organizations.

* * *

HOLD OUTING IN INDIANA

J. F. Slack, manager Field building branch, Continental Assurance, Chicago, and his agents who qualified in a two months production contest just closed, will hold an outing May 21-23 at Turkey Run national park in Indiana. Mr. Slack reports increase in volume and in number of agents during the first quarter.

* * *

HAVE FIELD BUILDING EXHIBITS

Thirteen life offices in the Field building at Chicago sponsored and conducted special exhibits on the ground floor, one each at the Clark and La Salle street entrances. Each office was privileged to man an exhibit for two half-days during Life Insurance Week. W. H. Gillespie, home office agency manager Mutual Trust Life, was chairman of the Field building committee which developed the exhibit.

Gets Out Gettysburg Facsimile

The Lincoln National Life as an advertising feature of Life Insurance Week is issuing facsimiles of Lincoln's Gettysburg address. They are printed on one sheet of paper, stained brown. President Lincoln carried the Gettysburg manuscript in the same pocket with his tobacco and it became stained. The facsimiles can be folded into envelopes the size of calling cards and are distributed to prospects and policyholders.

The Expressmen's Mutual Life of New York has been licensed in Pennsylvania.

INDUSTRIAL FIELD NEWS

Industrial Given Clean Bill

Commissioner De Celles Justifies Cost in Report to Massachusetts Legislature—Contract Criticisms Rectified

Industrial life insurance was given a clean bill of health and proposed legislation was reported adversely in a special report made by Commissioner De Celles of Massachusetts to the Massachusetts legislature's insurance committee.

In considering the cost angle, Mr. De Celles said that higher mortality is experienced in industrial insurance because it is broader in scope than ordinary. Many industrial policyholders would not be accepted for ordinary insurance at standard rates, he said.

In Hazardous Occupations

Many industrial policyholders are in occupations that would be unacceptable at standard ordinary rates. The accidental death rate among males in the industrial department is one-half again as large as that of males in the ordinary. The industrial policy contains disability and accidental death benefits which are not found in the average ordinary policy. Mortality among industrial policyholders is one-third to one-half higher than among ordinary policyholders and mortality is a major factor in net cost, he said.

The services rendered to industrial policyholders are more extensive than that required under ordinary insurance. Weekly collections on small policies materially increase the expense cost. The cost of industrial insurance is not excessive when all proper factors are considered, declared Mr. De Celles.

Comparatively Few Affected

Much controversy and dissatisfaction have risen out of the so-called facility of payment clause, said Mr. De Celles. Although nearly 98 percent of the settlements find their way into the hands of blood relatives there has been occasional dissatisfaction between members of the family who paid the premiums and those who received the benefits. Some companies have corrected the situation by requiring or permitting the naming of a beneficiary on all policy contracts. This is a recent development and can well be extended to all companies writing industrial insurance, said the commissioner.

Several companies have liberalized their paid up and extended term provision which answers the non-forfeiture value criticism. Further extensions along this line are contemplated for the future, said Commissioner De Celles.

Average Earnings

In studying the average weekly earnings of the 2,450 Massachusetts industrial agents for 1936, Mr. De Celles found that only 26 averaged under \$25, 25 from \$25 to \$30; 128, \$30 to \$35; 312, \$35 to \$40; 537 from \$40 to \$45; 561 from \$45 to \$50; 371 from \$50 to \$55; 146 from \$55 to \$60; 190, \$60 to \$70; 36 from \$70 to \$80, and 18 over \$80.

On the average each agent has about 1,200 weekly premium policies and 125 monthly premium policies covering 300 families. The average premium per family is about \$1 a week and collections per agency are \$125 weekly premium and \$300 monthly premium, not counting the monthly premium ordinary business issued since January, 1936.

Continental Life Gathering

Virginia agents of the Continental Life of Washington, D. C., held a two-day rally in Richmond. Talks by home office men featured the sessions. LeRoy Humphrey of the legal staff spoke at the banquet. J. D. Eason, vice-president and general counsel also spoke.

Connecticut Asks Revision

General Assembly Insurance Committee Reports Favorably on Changes in Industrial Setup

The Connecticut general assembly insurance committee has approved revisions in industrial insurance setup. However, policy changes already inaugurated by the companies cover many of the proposals. The amendments provide conversion of \$500 policies to one form. Limitation of \$500 on industrial forms for an individual, regardless of number of policies or companies, is criticized by the Connecticut insurance department.

The department has also attacked permissive assignment for payment of debts as contrary to policyholders' interests. The department criticized prohibitions on writing endowments as discriminatory. Permission for industrial companies to accept savings of insured persons for deposit with interest is attacked as outside of charter rights and in competition with savings banks.

Western & Southern Changes

C. Andreotti, formerly superintendent Western & Southern Life at Chicago-Roseland, has been appointed manager at Springfield, Ill. He started in the service Dec. 16, 1929, as agent at Roseland and in less than six months he was made superintendent.

J. Wasilowski, former superintendent at Chicago-Woodlawn, goes to Peoria, Ill., as manager. He started Feb. 28, 1933, as an agent at Hammond, Ind. He was transferred as superintendent to Roseland and later to Woodlawn.

Now District Office

The former detached assistantcy of the Home Life of Philadelphia at Carbondale, Pa., has been raised to the status of a district with John Burke, formerly Easton superintendent, in charge.

Develops Mortality Equation

LINCOLN, NEB., May 20.—Floyd S. Harper, of the University of Nebraska's mathematics faculty has developed an equation for use in the setting up of mortality tables, and has prepared a number of actuarial tables all based upon studies of infant mortality. Prof. Harper says that while special attention was given to the study of infant ages because of the high death rate attached, the equation was found satisfactory at older ages as well. It is claimed for it that it is the first practical equation which adequately represents the number living at all ages and gives accurate results by months in the first year of life. It is of special value in computing joint life annuities and insurance on the lives of any two persons including adults and infants.

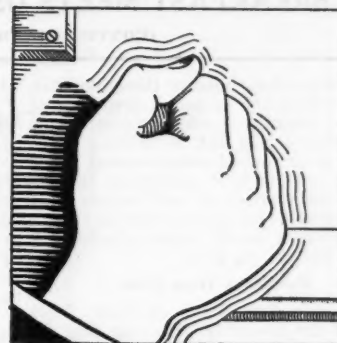
Gentry Refused Reinstatement

LITTLE ROCK, ARK., May 20.—An appeal to the Arkansas supreme court from the adverse decision of Circuit Judge Utley will be the next phase of the litigation instituted by former Commissioner U. A. Gentry in an effort to regain that office, from which he was removed by an act of the 1937 legislature. Judge Utley held that his suit did not state sufficient cause to hold the act invalid.

Attorney-general Holt is expected to announce soon an opinion on Mr. Gentry's claim for payment of salary while in office on the basis of compensation set by an act of 1927, which was revised by the legislature in 1933 and 1935.

Supplement social security benefits with life insurance. Slide rule \$1. Order from National Underwriter.

"Knock-- Knock"



Opportunity Is Knocking!

**It Is Pounding On the Doors of
Men Who Are Willing to Pay
the Price of Success**

Bankers National Life Insurance Company, a recommended Company, offers the opportunity of a lifetime to good men who want to be successful general agents.

Big success carries a corresponding price tag. The price is work, initiative, vision, perseverance.

If you feel there is no further opportunity for growth in your present connection, if you have a record of \$100,000 of paid-for personal production in 1936; if you have family responsibilities and a residence in either Pennsylvania, New Jersey, Rhode Island, Maryland or Delaware, you are one of the men we want to talk to at once.

Address

William J. Sieger

Vice President and Superintendent of Agencies

Bankers National Life Insurance Company
Montclair, New Jersey

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When Placed in any Territory!



Here is a typical experience record which illustrates how the "Golden Rule Contract" boosts an agent's earnings in a given territory. Name on request.

This man saw in the "Golden Rule Contract" his opportunity of future security. By offering others a contract like his own, his earnings were not limited to his own efforts. His home is a town of two thousand. For seventeen years he enjoyed a substantial income from his personal efforts. Now, in his late sixties, the organization he has developed under the Golden Rule Contract is yielding him \$300 per month—the equivalent of \$50,000 invested in a cash refund annuity. Each year, as long as he lives, this income should increase. Any good producer, regardless of territory, can duplicate his success.

The COLUMBUS Mutual Life
INSURANCE COMPANY
Columbus, Ohio

BREAKFAST MEETS USHER IN BIG WEEK

(CONTINUED FROM PAGE 1)

and this combats positive thought. This, together with the economic problems of the day, presents a real problem to the underwriters, said Mr. McMillen. Much can be done toward improvement if the positive side is kept uppermost in producers' own minds as well as in those of the public. An underwriter to see his best prospect of the week should look in the mirror, he said.

Greetings from Pink

Superintendent Pink of New York greeted the assembly. He said that the professional development of life insurance depends upon the attitude of the individual agent, not on any rules or regulations that may be promulgated.

Miss Elizabeth Frazer, author of an article in "Good Housekeeping," entitled "Women Who Work," which features the value of life insurance, made a short talk. She asserted her belief in the value of life insurance, especially through its programming angle, for women and all persons who work.

Many New York Activities

The impetus given Life Insurance Week by the "Early Bird" breakfast Monday morning, which was attended by 1,200 agents, was closely followed up through activities all over the city. Life insurance posters are prominently displayed in all department stores and the movie, "Make Way for Tomorrow," adapted from Josephine Lawrence's prize winning novel, "The Years Are So Long," was shown.

Monday afternoon a life insurance program was presented at Wanamaker's. About 1,000 women, all policyholders or beneficiaries, attended a fashion show, followed by a dramatic skit on budgeting. J. E. Bragg, general agent Guardian Life, talked, illustrating the way in which insurance can be included in the family budget.

Elaborate Radio Program

Daily radio programs are being given. Monday afternoon a skit entitled "Voice of the People" was presented and in the evening T. H. Beck, president Crowell Publishing Company, gave an address over a national hook-up. Friday afternoon at 4:15 there will be a panel discussion over WNYC on "Is Security a Dream," led by Mrs. Kathryn Ford, president League of Insurance Women and agent Mutual Life of N. Y. The concluding radio address on life insurance will be given Saturday evening at 7 p. m. over WLWL, Mrs. Ford being the speaker.

The individual agencies throughout the city are enthusiastically cooperating in this drive toward building up good will of the public for life insurance, pointing out to their prospects and clients the security and peace of mind a man enjoys by carrying adequate insurance. Many are sending attractive circulars to policyholders.

MEET IN MANY CITIES

Local life underwriters' associations in every city took advantage of Life Insurance Week to publicize the business and to gain public recognition. A summary of these widespread activities follows:

St. Louis.—Branch Rickey, vice-president of the St. Louis Cardinals, spoke on "Championship Stuff" at the breakfast meeting. Howard Cammack, president of the St. Louis association, also spoke and J. G. Callahan, Metropolitan Life, vice-president of the Missouri association, was toastmaster.

Extensive newspaper advertising, publicity, radio programs and show window displays, coupled with endorsements of Governor Stark and Mayor Dickmann gave the week widespread recognition.

Los Angeles.—Numerous radio broadcasts featured Life Insurance Week.

Arthur Rosenblum, attorney, spoke on "A Legal Look at Your Life Insurance"; H. R. Van Cleve on "Why Budget?"; J. E. Davis, chief of police; Dr. Earle R. Hedrick; F. M. Hall, public defender; and Dr. W. B. Henley, University of Southern California. Minute dramas were given by W. G. Gastil, T. G. Murrell, Jack White, Phineas Prouty, Jr., president Los Angeles association; Eldin L. Smith, A. A. Dewar and John W. Yates.

Newark.—More than 300 attended the breakfast at which Dr. Frank Kingdon, president University of Newark, and Lynn S. Broadus, Chicago manager of the Guardian Life, spoke. Ten high school letter-essay contest winners were present.

Governor Hoffman and Insurance Commissioner Withers issued statements commending life insurance.

St. Paul.—At a "kick off" breakfast meeting John O. Todd, president, Twin Cities Chartered Life Underwriters, spoke. Another breakfast was held Thursday at which high school essay contest winners were guests.

Luncheon talks, window displays and newspaper publicity featured activities here.

Kansas City.—Over 200 attended a breakfast. Speakers included V. Webner Wiedemann, president Kansas City association; Harold T. Himes, week chairman; Dallas Alderman, president Missouri association, and F. C. Lynch, safety council director, who spoke on "Safety and the Life Insurance Business."

Cooperative advertising and educational promotion work featured the activities.

Tulsa, Okla.—Frank M. See, St. Louis general agent New England Mutual Life, spoke at a luncheon. F. R. Fee, Equitable Life of Iowa, is general chairman.

Memphis, Tenn.—At a "kick-off" breakfast Charles Evans, Little Rock, spoke on "Sales Talk, Canned and Otherwise." E. F. Barry, president Memphis Community Fund, spoke at the general meeting. William Vaughan is general chairman.

Columbus, O.—Rev. R. A. Burkhart of the First Community Church spoke at a breakfast meeting. V. C. Smith, Equitable of New York, is chairman.

Des Moines.—Rev. Harold Lancaster spoke at a breakfast meeting. H. S. Haskins, president Des Moines association, and Jack Hilmes, general chairman, are in charge.

Richmond.—At an "early bird" breakfast C. C. Day, Oklahoma general agent Pacific Mutual Life, spoke on a "Philosophy of Living." Reports were made by P. B. Magruder, Metropolitan Life, week chairman, and J. A. Hood, Equitable of New York, roll call of American youth chairman. Mr. Day also spoke to the Kiwanis Club. J. K. M. Newton, Richmond, general agent Union Central Life; Angus O. Swink, head of Atlantic Agency of the Atlantic Life; N. L. Huffaker, special agent New York Life, spoke to several clubs.

Pittsburgh.—The "kick off" breakfast drew 600 agents. Mayor Scully endorsed purposes of the campaign. C. J. Zimmerman, general agent Connecticut Mutual, Newark, recently promoted to Chicago, talked on: "Sincerity, Service and Sales." He stressed the need for institutional advertising of life insurance throughout the year.

Other speakers were H. B. Kirkpatrick,

president Pittsburgh Chamber of Commerce; F. T. McQuaide, police superintendent; S. E. Webster, president Pittsburgh Life Underwriters' Association, and W. J. Cummins, general chairman for the week.

Sacramento, Cal.—At a "kick-off" breakfast G. F. McKenna, northern California manager Continental Assurance, spoke on "The Public Speaks to the Life Underwriter" and Baldwin Vale, San Francisco attorney, talked on life insurance from the standpoint of a policy holder. Wray L. Eggleston, assistant manager Continental Assurance, is chairman.

Little Rock, Ark.—Governor Bailey issued a proclamation, characterizing life insurance as a bulwark of financial security.

Birmingham, Ala.—Thomas J. Hamner, director of agency service of Protective Life, is general chairman. A breakfast meeting was held.

Oklahoma City.—Under direction of W. Herndon Lackey, a diversified program is being carried out each day featured by prominent speakers. A statewide sales congress will be held Friday with the following speakers: DeLoss Walker, Liberty Magazine; A. R. Jaqua, associate editor Diamond Life Bulletins; Herbert Hedges, Kansas City general agent Equitable Life of Iowa; Ricks Strong, president Texas Life Underwriters Association; Foster A. Vineyard, Little Rock, Ark.

"The Period of Readjustment and Means of Meeting It" was discussed by President Dan Hogan of the City National Bank & Trust Co. at a "kick-off breakfast."

Talks are being made at civic club meetings by T. M. Green, Massachusetts Mutual, on "Homes for the Penniless Millionaire," and Mr. Walker.

Lincoln, Neb.—At a public affairs luncheon attended by a large number of business and professional men, Herbert A. Hedges, Equitable Life of Iowa manager at Kansas City, spoke on "It Happens Here." Brief radio talks and five minute speeches by minute men at luncheons of the various civic clubs held during the week were supplemented by extensive window displays.

Madison, Wis.—Paul Spicher, Research & Review, Indianapolis, addressed 500 agents at a luncheon. Other speakers said that out of every \$100 of national income distributed last year \$6.60 came from life insurance companies; that close to \$500,000 in insurance money was distributed every 1½ hours. Commissioner Mortensen and Prof. Fay Elwell, head of the University of Wisconsin school of commerce, also spoke.

Brooklyn.—Over 1,000 attended a Life Insurance Week breakfast. Henry E. North, vice-president Metropolitan Life, talked on "Value of Life Insurance Week to the Agent;" Oliver Thurman, vice-president Mutual Benefit Life, on "Public Appreciation—A Personal Challenge," and Superintendent Pink of New York on "The Value of Life Insurance." Cleveland Rodgers, editor of the Brooklyn Eagle, also spoke. Alfred G. Correll, general chairman, presided and Jack Warshawer, Guardian Life general agent, was general chairman of the breakfast committee.

Tribute was paid to C. V. Dykeman and S. S. Voshell, Brooklyn agents for over 50 years. During the week Robert Buckley, Aetna Life field supervisor, will be in charge of a flying squadron which gave talks on the value of Life Insurance Week at different agencies in Brooklyn.

Cherry & Cherry. San Antonio, Tex., general agents in south and southwest Texas for the Bankers Life of Iowa, because of increased business, have opened an office in the Goodhue building, Beaumont, Tex.

Chicago Actuaries Stage Prevue of Institute Topics

(CONTINUED FROM PAGE 4)

certain provision, and other suggested 3½ percent interest basis if the policyholder elects the method at time of taking the policy, but perhaps only 3 percent if the beneficiary is permitted to make selection, thus attempting to offset anti-selection.

A company checks for the possibility that new business may be contemplated in case of sizable loans on existing policies. On applications for new business which it is found is intended to replace policies in force, the commission is charged back to the agent, an arrangement that discourages rewriting. Another company on cases which involve replacing old policies does not pay the full first year commission at once, but only 50 percent of it, and then 25 percent in each of the next two years. This serves to maintain the agent's interest in the case and helps to get the policy over the lapse danger of the first three years. There was some discussion of issuing life insurance without cash or loan values, but the consensus was it was not practicable as the public has been educated to values in life insurance.

Lehane Succeeds Grimes

I. L. Grimes, assistant secretary and actuary Mutual Trust and president of the club, resigned although only recently elected. He explained his company duties made this necessary.

L. J. Lehane, assistant actuary Central Life of Illinois and chairman club's program committee, was elected president and H. A. Reise, consulting actuary of Chicago, was named vice-president. J. A. Roberts is secretary-treasurer. C. E. Nelson, former actuary Missouri department, now associate actuary Continental Assurance, was elected a member.

Wants Obsolete Laws Removed

TALLAHASSEE, FLA., May 20.—Commissioner Knott has recommended that the obsolete law committee of the Florida legislature repeal or amend a number of insurance measures which are out of date and impractical. A number of provisions are no longer of any useful purpose or have been superseded by newer sections, according to Mr. Knott.

Predicts Insurance Demands

Carl R. Marcusen, president of the Pacific National Life, discussed phases of the federal social security program before the Salt Lake City Knights of the Round Table. He predicted that the program will stimulate demand for life insurance. Commissioner C. C. Neslen of Utah and Commissioner Ham of Wyoming were also present.

Company Wins Airplane Case

By a directed verdict in federal court, Pittsburgh, the New York Life was victor in a suit to collect double indemnity on a policy of a victim of the fatal crash of the "Sun Racer," TWA airliner. The liner crashed near Uniontown, Pa., last April, with the loss of a dozen lives. Judge McVicar directed the jury to return a verdict exempting the company from liability for double indemnity in the suit brought by National Exchange Bank & Trust Company, of Steubenville, Ohio, trustee S. W. Bayersdorfer, killed while returning to Pittsburgh from the East in the plane when it crashed after being lost in the district.

Mr. Bayersdorfer carried five insurance policies for a total of \$17,500. The New York Life paid the face of the policies, but refused extra indemnity on the ground the provisions of the policies did not cover death from aeronautical accidents.

More money with accident. Read Accident & Health Review for details. \$2 a year. 175 W. Jackson, Chicago.

NEWS OF LIFE ASSOCIATIONS

Cleveland Group in Session

President Olson of Mutual Trust Life and Lecturer McAuliffe in Talks to Association

E. A. Olson, president Mutual Trust Life, Chicago, and T. P. McAuliffe, Detroit author and lecturer, armless man who has won success despite his handicap, addressed the Cleveland Life Underwriters Association at the May meeting.

Members were saddened by the absence of W. F. Hoover, president, who died last week. Lloyd Hagerty presided. H. G. Wischmeyer, general agent John Hancock, paid tribute to Mr. Hoover.

Mr. McAuliffe urged not losing patience over trivial things. There are scarcely any mental troubles. Troubles are real only as they are permitted to be in the mind. Work, with courage and ambition, was recommended as the best cure for troubles.

Mr. McAuliffe outlined his accident at age 9, when both arms were severed. He felt helpless and miserable until his mental attitude over-rode the difficulty. He decided he would make something of himself despite handicaps. He now can write long-hand and on the typewriter, and has scored 86 for 18 holes at golf on four different occasions.

He demonstrated, gripping the club between face, neck and shoulder, and pitching a ball into a basket.

Company President Talks

President Olson of the Mutual Trust told of opportunities in life insurance today, with comparisons of bygone days. While, due to economic conditions, life insurance has not grown much since 1930, its value has come to be widely appreciated in the depression period. During the depression money was about the only thing of value. Today it is the cheapest thing there is. It has come out of the safe deposit boxes and gone back into the banks where it earns only small interest. There is not a life company that would not pay more interest on the money than do banks, he said.

Agriculture is prosperous and industry is coming back. Much life insurance went off the books in depression time. There is much business ahead for agents who will put it back on the books. Women now are live prospects. They own 40 percent of real estate and are beneficiaries on 80 percent of life insurance in force. They have equal rights with men and represent a great group of prospects.

Agent's Status Much Better

The agent's equipment today is far ahead of that of agents in days gone by. Policies are broader and better. Where in years past there were many exclusions and prohibitions, now the insured's responsibility lies only in paying the premium; nearly all of the policy is given over to obligations of the company.

Jerry Halle, general chairman, announced plans for Life Insurance Week in Cleveland and introduced chairmen of sub-committees. David McCahan, dean American College of Life Underwriters, addressed the City Club on the subject of insurance.

The nominating committee was announced: W. E. Baker, chairman; C. M. Updegraff, C. E. Pejeau, A. H. Bennell and W. H. Smith.

Nominate Colorado Officers

The following officers were nominated for the Colorado Association of Life Underwriters at the "early bird" breakfast in Denver May 17: C. Earl Davis, Denver, president; B. J. Harrington, Denver, vice-president; H. K. Craw, Fort Collins, vice-president for northern

Colorado; F. A. Cadwell, Pueblo, vice-president for southern Colorado; A. T. Severs, Denver, secretary-treasurer; Isadore Samuels, Denver, national committeeman.

For directors: W. B. Rodgers, Pueblo; Fred Hendrickson, O. P. Hoppe, M. E. McKibbin and J. M. Cunningham, all of Denver. The election will be in June.

Youngman Heads Slate of the New York Association

NEW YORK, May 20.—The slate to be elected next month at the annual meeting of the New York Association of Life Underwriters was presented at the breakfast meeting Monday. A. V. Youngman, Mutual Benefit Life, is scheduled to succeed R. G. Engelsman, general agent Penn Mutual, as president. The rest of the slate follows: vice-presidents, H. L. Wofford, Prudential manager, D. H. Ward, Union Central and Robert Skillings, Home Life; secretary-treasurer, L. A. Cerf, Jr., general agent Fidelity Mutual; chairman executive committee, Lloyd Patterson, general agent Massachusetts Mutual.

Kansas Association Growing; St. Louis Asks 1938 Support

Representatives of the St. Louis Association attended the Kansas Association Congress at Topeka and invited the Kansas life underwriters to support the bid of St. Louis for the 1938 national convention.

The annual report of Secretary-treasurer Leo R. Porter of the Kansas Life Underwriters Association showed 235 paid members and all nine local associations fully paid up. Three years ago the Kansas association organized with only four local associations, Topeka, Hutchinson, Salina and Wichita. The five associations added are Emporia, Manhattan, Independence, Winfield and Arkansas City, all live organizations and well represented at the sales congress.

Several out-of-state life men attended the Kansas Sales Congress, including W. R. Martin, agency organizer Illinois Brokers Life, Monmouth, Ill., and R. N. Sine, agency organizer Alliance Life, Chicago.

Little Rock Sales Congress

LITTLE ROCK, ARK., May 20.—Sponsored jointly by the Arkansas and Little Rock Life Underwriters Associations, a sales congress will be held here May 21. N. E. Lisk, Arkansas manager Metropolitan Life, is general program chairman.

Speeches scheduled are: J. C. Higdon, vice-president and sales manager Business Men's Assurance; Ricks Strong, Dallas, general agent General American Life, and H. E. Wuertenbaecker, Jr., St. Louis, Penn Mutual Life.

George Vinsonhale is president of the Little Rock group and L. M. Wilson, Jonesboro, is president of the Arkansas association.

Manchester, N. H.—J. M. Holcombe, Jr., manager Sales Research Bureau, addressed a noon meeting of the local association and of the Kiwanis, Lions and City clubs.

Los Angeles—H. R. Van Cleve, Massachusetts Mutual Life, spoke at the forum luncheon on "Why Budget?"

San Angelo, Tex.—W. C. Abbey, president San Angelo association, presided over the sessions of a one-day sales congress held at San Angelo, Tex., attended by approximately 100 west Texas life people.

New Orleans—R. B. Montgomery, Jr., insurance attorney and author, told of the changes that are making life insurance a profession. "The life insurance



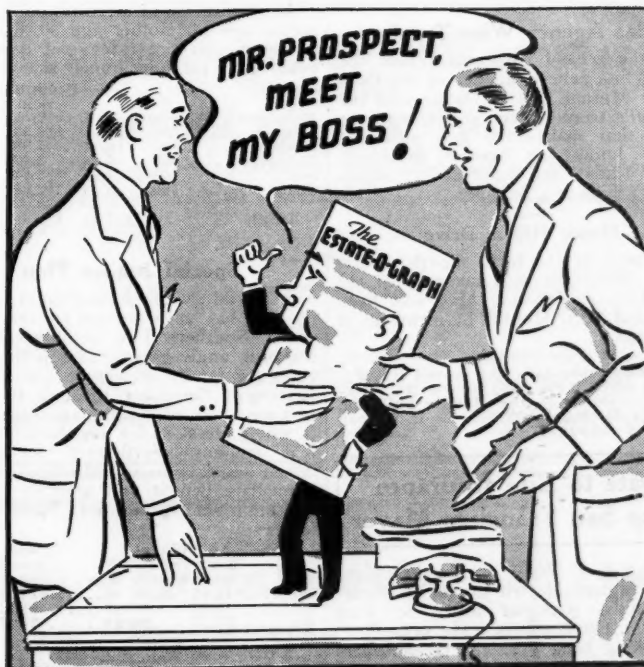
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E-O-G: "This is the man I've been telling you about every month."

Pros: "Oh yes, haven't I met you before? Certainly the name is familiar. Of course, I'm not in the market for Life Insurance—but, sit down." (Pros., to himself, "Guess I might as well let him give me the works. I DO

need more insurance—those pictures he sends me every month—they don't let me forget about it. But I better not admit it too quickly.")

Send 25c for 12 sample copies and proof of how you can profit by using—The Estate-O-Graph, 222 E. Ohio St., Indianapolis.

man is no longer selling a commodity, but rendering a service," Montgomery continued. "He must become an educated man, with a knowledge of law, economics and factors affecting his community," he said.

York, Pa.—C. P. Dawson, Beers agency, New England Mutual, New York, addressed the insurance week program of the York county association.

Youngstown, O.—G. M. Lovelace, vice-president New York Life, addressed the insurance week breakfast meeting.

Grand Rapids, Mich.—R. B. Hull, managing director National association, said "stabilized buying" which life insurance could, in part, bring about, is the chief potential bulwark against the rigors of the next depression.

Lima, O.—E. E. Kirkpatrick, superintendent of agencies Ohio National Life, spoke of "Reinforcing the House of Protection." Mr. Kirkpatrick also spoke at the regular agency meeting of the western Ohio agencies of Ohio National at Springfield, O.

AGENCY NEWS

Charles J. Zimmerman to Be Honored at New York Dinner

New Jersey and New York friends are giving a testimonial dinner to Charles J. Zimmerman, general agent in New Jersey for the Connecticut Mutual Life, on May 27 in the Hotel Astor, New York City. The affair will be open to all life underwriters and no invitations will be needed. It is planned to have one outstanding speaker.

Mr. Zimmerman plans to leave Newark about the middle of June for California. Following his trip he will leave for Chicago where he will take up his duties as general agent.

The Zimmerman agency force also plans a dinner to Mr. Zimmerman in Newark on June 4.

Dallas Agency Wins Trophy

For the second consecutive year the E. F. White general agency of the Connecticut Mutual Life at Dallas won the president's trophy given annually to the agency that makes the best all-round record. James Lee Loomis, president, was in Dallas and handed the trophy to Mr. White at a banquet.

Honor Hill in Drive

In honor of the birth month of Arthur J. Hill, California manager of the State Life of Indiana, May has been designated "Hill Month" by members of the agency.

The Equitable Life has moved its Milwaukee office from the Underwriters Exchange building to the Mackie building, 225 East Michigan street. E. L. Carson is agency manager.

Tribute to Life Insurance by San Francisco Mayor

Mayor A. J. Rossi of San Francisco pays a remarkable tribute to life insurance in a personal letter to THE NATIONAL UNDERWRITER. He says:

"Looking back over the recent years of economic stress, one cannot but be impressed with the tremendous value of life insurance as a stabilizer of national credit and welfare. The billions of dollars which the life insurance companies released to policyholders, beneficiaries and for loans to persons in dire need proved beyond all doubt that this purely American system of thrift is a national force and power.

"It provides for the American individual a sure, sound way to secure his own future and thus be independent of political or governmental bounty or charity. Personally, I encourage the investment of funds in life insurance policies and shall continue to do so."

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Issues Family Unit Policy

Mid-West Life Offers Low Cost Form with Flexible Conversion Provisions

The Mid-West Life has brought out a "family unit" policy, insuring an entire family in one contract at low cost. This is similar to the family group policies which are issued by a number of companies.

Two or more members of any family may be insured in the Mid-West Life form for amounts not less than \$500 on each life, restricted to \$2,000 minimum on the entire family. The policy may be continued at the same low rate for 19 years, until the youngest child is grown. Any member may convert his portion to any permanent life or endowment form without examination at any time within 14 years from date of issue.

When any member of the family dies his insurance proceeds are paid, the premium is reduced and the policy may be continued in force on the remaining members. Examination is not required on any member under 46 years of age for amounts up to \$2,500 on each life.

Death proceeds in the case of members under five years of age are graded, being, on a \$1,000 policy:

Age at Issue	1	2	3	4	5	6
Under 6 Mos.	100	200	400	600	800	1,000
1 Year..	200	400	600	800	1,000	...
2 Years..	400	600	800	1,000	...	...
3 Years..	600	800	1,000	...	...	...
4 Years..	800	1,000	...	...	...	...

An illustration of a typical policy with father age 35, mother age 30, daughter age five, son age three and baby one year, with total insurance \$5,000, is:

Members	Amounts	Ann.	Semi-Ann.	Quar-terly
Father	\$2,500	\$31.45	\$16.35	\$ 8.35
Mother	1,000	10.74	5.58	2.84
Daughter	500	4.75	2.47	1.26
Son	500	4.95	2.57	1.31
Baby	500	5.15	2.68	1.36
Totals		\$57.04	\$29.65	\$15.12

Special Jubilee Plan

A special golden jubilee family security plan has been devised by the Western & Southern Life in observance of its 50th anniversary. The policy provides for family security to age 65 and retirement thereafter through term insurance to 65 with automatic conversion to whole life at 65 for one-third the original amount. Settlement forms are issued on this basis: Monthly income, immediate benefit and monthly income and lump sum disposition. Rates are as follows:

Age	Ann. Waly-nual or of Prem.	Age	Ann. Waly-nual or of Prem.
20.....	\$11.02 \$0.38	40.....	\$18.11 \$0.89
25.....	12.01 .44	45.....	21.21 1.20
30.....	13.57 .54	50.....	24.82 1.65
35.....	15.57 .68		

New World Life

The New World Life has added a family income rider to its policy forms. It may be issued in connection with all old or new policies except family income, monthly income, salary extension, term, juvenile, single premium and joint annuities. In event of death of insured during a 10, 15 or 20 year period, as selected, a monthly income of \$10 per \$1,000 is paid beneficiary from date of death to expiry of the period and the face of the policy is then payable. At the expiry of the term, the policy reverts to its original form and the premium stops.

Occidental Life's New Plan

Will Allow Policyholders to Make Deposits from Time to Time for Paying Premiums

The Occidental Life of Los Angeles has advised its agents that it will now accept at any time additional premium deposits after the first year premium has been paid so that a policyholder can begin to build up a premium paying fund. If a policyholder will guarantee that there will be no withdrawals from this fund, it will be compounded at 3½ percent interest and will be participating. The company will accept up to 10 percent of the face of the policy in any one year. If at any time the reserves, plus the deposit fund on hand will be sufficient, the single premium feature can be used and the policy be paid up. In case of death the accrued fund will be paid in addition to the policy proceeds. If the policyholder desires the privilege of withdrawing all or any part of the fund at any time the guaranteed interest will be 2½ percent.

Under this plan a person may take out term insurance at a time when he perhaps wants to get all the protection he can with as little money as possible and yet later on desires to convert his insurance into a permanent fund. Therefore the accumulated proceeds will be a building up fund. This affords the opportunity for a policyholder to contribute to his premium fund during the time when he counts himself prosperous and thus prepare for the lean years.

Reliance Mutual, Illinois, Issues New Term Contract

The Reliance Mutual Life of Illinois has issued a reducing term policy renewable yearly for life and convertible at age 61 to an ordinary contract. It is participating.

It is decreasing for the net amount of risk on an ordinary policy issued at the same age and on the same date. The amount decreases after age 61. The premium goes up each year, the first year premium being higher due to loading for acquisition cost, etc. The policy can be converted to a higher premium form at any time without medical examination.

The contract has a clause stipulating that in case of death of assured during military or naval service in war time, amount payable is only the net reserve. The policy, however, may be suspended during such service and reinstated upon discharge of the assured without any evidence of insurability.

First year premiums per \$1,000 are:

Age	Prem.	Age	Prem.
10.....	\$13.64 35.....	16.30	
15.....	13.90 40.....	17.86	
20.....	14.22 45.....	20.34	
25.....	14.70 50.....	25.12	
30.....	15.34 55.....	33.82	
	60.....	48.60	

Renewal premium per \$1,000 rises slightly each year to age 80. Examples at five year intervals are:

Att. Age	Ren. Prem.	Att. Age	Ren. Prem.
20.....	\$ 9.48 50.....	\$16.74	
25.....	9.80 55.....	22.54	
30.....	10.22 60.....	32.40	
35.....	10.86 65.....	38.86	
40.....	11.90 70.....	47.38	
45.....	13.56 75.....	51.22	
	80.....	56.78	

New Settlement Form

A new form for requesting optional settlement of policy proceeds is announced by the General American Life to be used in connection with the op-

tions as contained in the policy, uncomplicated by combinations of various contingencies and numerous payees. In such cases the new form may be completed and signed by applicants at time of applying for the insurance. The form also may be used with policies previously issued provided the settlement request is in exact accord with options in the policy.

Phoenix Mutual Raises Rate

On Some Forms Increase Will Amount to 6 Percent; on Others 9 Percent—Effective June 1

Premiums of the Phoenix Mutual Life will be increased effective June 1. On life, endowment and term forms the increase will amount to about 6 percent, whereas on the retirement income series including deferred annuities, the increase will amount to about 9 percent. The increase is due to adoption of a slightly more conservative reserve basis and small increase in expenses.

Has Four New Term Policies

Four new term policies are being issued by the Great Northern Life of Chicago and are being pushed under a special sales plan with a first year bonus applying until Dec. 31. The forms are 15-year, 20-year, term to age 65 and family group. Under the latter form all members of family may be insured in one policy, minimum amount for all lives in the group being \$2,000. The father, if living and insurable, must be included and is the applicant. Each member has privilege of conversion to a permanent form.

New Colonial Policies

The Colonial Life has issued three new endowment policies at ages 60, 65 and 85 with five classes of rates. Rates for the preferred and "AA" classes follow:

Age	Preferred	Risk	Class AA
	End. at 60	End. at 65	End. at 85
15.....	\$16.35	\$14.98	\$13.08
20.....	18.81	16.97	14.46
25.....	22.12	19.58	16.22
30.....	26.69	23.05	18.47
35.....	33.20	27.92	21.40
40.....	43.45	34.91	25.31
45.....	60.55	45.58	30.56
50.....	94.87	63.46	37.79
55.....	...	98.65	47.81
60.....	...	...	61.87

George Washington Interest Rate

The George Washington Life has reduced its guaranteed interest rate on settlement options from 3½ to 3 percent. Under the new settlement options, the payee will participate in the earnings of the company over and above the 3 percent.

Independent Life

The Independent Life of Maryland announces a complete new set of participating policies. It is likely that non-participating forms will be dropped entirely at some future date.

Bankers National Life

The Bankers National Life of Montclair, N. J., is still issuing income disability coverage to select and preferred risks. It aims to be exceedingly careful in its selection.

Explanations, Corrections for 1937 Little Gem Users

Since publication of the 1937 Little Gem, several points have been found which need explanation or correction. Considering the millions of figures contained in this widely used pocket reference book, it is perhaps surprising that so few errors have crept into it. Correction stickers covering these points have been distributed to Little Gem users. Additional ones are available on request—address THE NATIONAL UNDER-

WRITER, statistical division, 420 East Fourth street, Cincinnati. The following points should be corrected:

Page 268—Metropolitan—Average net payment age 40 for 10 years is \$111.08, not \$112.08 as shown.

Page 356—(at bottom) Northwestern Mutual interest rate should read 3.75 percent non-withdrawable; 3.5 percent withdrawable. Also on page 561 this should read 3.75 percent (n) instead of 3.5 percent (m).

Page 534—Annuity Index, Metropolitan, should read "Tables 1 and 3—(page) 535." The line just above should read "Installments—(page) 539."

Page 560—Trust funds interest income for \$1,000 at 3 percent is \$2.46, not \$3.46.

Page 124—Equitable, N. Y.—Retire-

ment annuity dividends are incorrect as shown. This should be—per \$100 premium and the fifth year dividend should be \$2.68, not \$3.82; 10th year, \$6.81, not \$9.04; 15th year, \$11.38, not \$14.87; and 20th, \$15.70, not \$20.64. A complete correction sticker is available.

Page 374—Occidental Life—Retirement annuity cash values are all dollars, not dollars and cents as indicated for first nine years—the first year being \$50.00, etc.

Page 548—Mutual Life, N. Y.—Figures shown are paid-up additions purchased by dividends on fully paid-up policies. Correct figures for cash dividends are: Age 30, \$3.21; 35, \$3.29; 40, \$3.39; 45, \$3.53; 50, \$3.75; 55, \$4.04; 60, \$4.29; 65, \$4.41; 70, \$4.49. Complete correction stickers are available.

is ineligible for relief if he owns more than \$300 life insurance.

Missouri—The Shockley bill revising the investment sections of the insurance code is awaiting the governor's signature. Sponsored by the Missouri insurance department and Missouri companies, the measure broadens the investment requirements of domestic companies to include sound securities of recent issue.

Colorado—The anti-twisting bill, amended to apply to all agents, has been sent for the second time to Governor Ammons for his signature.

Florida—A new tax of 3 percent on life insurance premiums has been proposed by Senator Dame. This would be in addition to the present 2 percent tax.

RECORDS

General American Life—April was the fourth consecutive month with increase in production of paid-for business. Eight members of the agency organization each produced in excess of \$40,000 during the 4-Star contest recently staged. They were Fred Sale, James Halley and Jack Maginn of St. Louis; Claude Cochran and W. G. Duguid of Kansas City; R. N. Price, Dallas; A. H. Rickert, Houston, and L. C. Callow of Memphis. Sale was the lead with \$84,000 in new business.

Midland Mutual Life—Paid-for business, first four months, shows an increase of 9 percent. Net gain of business in force, 95 percent greater than recorded in the first four months of last year.

J. A. Sewell, Jefferson Standard Life, Los Angeles—Reports increase of over 100 percent for year to date.

W. M. Hammond, Aetna Life, Los Angeles—April production 13.3 percent ahead, and 14 percent to May 1.

R. L. Hoghe, Equitable Life of Iowa, Los Angeles—April best month since last October with more than 33 percent increase.

Truman H. Cummings, National Life of Vermont, Cleveland—Shows a 70 percent increase for the first four months.

R. W. Hoyer, John Hancock Mutual, Columbus, O.—Wrote over \$1,000,000 new business in April. The agency ranks third among all the company's offices.

Central Department Equitable of N. Y.—Increase of 6.56 percent in paid production for first four months. Paid total \$64,673,471, increase \$4,043,204; April paid business \$15,877,695, increase \$967,119. A. M. Embury agency, Kansas City, led with \$1,624,957 in April; R. M. Ryan agency, Detroit, second, \$1,408,279; Sam Lustgarten, Chicago, third, \$1,130,304; M. C. Nelson, Des Moines, fourth, \$1,040,435. Ten units paid for \$200,000 or more each.

LIFE SALES MEETINGS

Mutual Trust Life to Have Three Regional Conventions

The Mutual Trust Life, which has not held a general agents convention for several years, is planning a series of three regional conventions to be held in August. The first will be at Lake Delton, Wis., Aug. 2-4; the second at Lake Wawasee, Ind., Aug. 9-11, and the third at Crawford Notch, N. H., in the White Mountains, Aug. 23-25. There will be morning business sessions, the afternoons being devoted to recreation. A number of home office officials will attend these conventions.

Agents Discuss Strong Points

KANSAS CITY, May 20.—A new type of agency sales conference was held by George V. Metzger's Kansas agency of the Northwestern Mutual Life here. Agents who are especially good closers discussed closing; those especially capable at securing prospects, talked on that subject, etc. Mr. Metzger presided. L. J. Evans, assistant director of agencies from the home office, was in charge. The G. V. Metzger agency placed first in the company's nationwide "treasure hunt" campaign of March and April for the division which included Oklahoma, Peoria, Nashville, Omaha, Chicago, St. Louis, Atlanta, Kansas City, Mo., Springfield, Ill. The Metzger agency showed a 70 percent increase in volume, a 14 percent increase in lives.

Schnell Agency Meets

The F. A. Schnell agency, Penn Mutual Life, Peoria, Ill., held a day session last week. W. F. Holdeman, assistant counsel, spoke on "Business Insurance and Taxation." It was announced the agency's production was 30 percent ahead for the first four months of 1937 as contrasted to last year. Forty men from the downstate area attended.

The Schnell office succeeded the Alexander E. Patterson agency as state agent for the Penn Mutual. E. P. Connolly is assistant general agent at Springfield and W. S. Porter is assistant general agent at Champaign.

The group attended a luncheon. The Schnell agency has been making considerable progress since it took over last fall.

Loomis at Wichita Meeting

J. L. Loomis, president Connecticut Mutual Life, spoke at an agency meeting in Wichita, Kan., held by General Agent O. Lynn Smith, starting with a breakfast. Mr. Smith reported 28 percent increase in paid-for business in Kansas the first four months.

Chapman on Western Tour

W. R. Chapman, assistant director of agencies Northwestern Mutual Life, is making a tour of general agencies in western territory. He will address meetings held by General Agents Arthur Ballah, Denver; F. H. French, Salt Lake

City; E. A. Crooks, Boise and Pocatello, Ida; L. F. Larson, Portland, Ore.; M. H. O. Williams, Seattle; J. A. Reinhardt, Spokane, and G. C. Baldwin, Great Falls, Mont. Mr. Chapman has been invited to address local meetings in connection with Life Insurance Week in cities he is visiting the week of May 17.

Anderson at Kansas City

KANSAS CITY, May 20.—E. C. Anderson, educational director Connecticut Mutual Life, conducted a three-day educational conference at the Herley S. Daily agency here. Mr. Anderson stressed the growing popularity of trustee arrangements by which insurance companies administer insurance estates under programmed settlements.

Mr. Anderson opened Life Insurance Week at Fremont, Neb., at a meeting of the Life Underwriters Association. He then went to Omaha to explain a new training plan to the Hugh E. Wallace agency.

Agency Meetings in Topeka

Several agency meetings were held in connection with the Kansas Sales Congress in Topeka.

Hiram W. Moore, Mutual Life of New York, had a large gathering. The three Kansas general agencies of the Bankers Life of Iowa met jointly in the offices of Harold Timbers, Topeka general agent, including the forces of G. L. Spangenberg, Hutchinson, Kan., and J. A. Reinhardt, Wichita.

N. Y. Life Little Rock Meeting

About 35 agents of the New York Life met in Little Rock, Ark. C. J. O'Connell, agency assistant from the home office, was the chief speaker. Leaders in a recent contest and their wives were guests at a dinner at the home of H. H. Conley, inspector of agencies, in charge of the Little Rock office.

LEGISLATIVE • DIGEST •

Michigan—The Berka-Gartner "blue sky" bill regulating sale of securities includes the sale of annuity or optional annuity contracts.

Oklahoma—Several bills are awaiting the governor's signature: One that permits the use of an aviation exclusion rider on all life policies; another requires stipulated premium companies to have \$50,000 paid up capital, a minimum policy value and to observe the investment and anti-discrimination laws. Fraternal organizations must have \$20,000 surplus is another measure.

Wisconsin—The assembly has passed a bill making it unlawful to require relief clients to surrender life insurance policies to become eligible for relief. It strikes out the provision that a person

Curb Benefit Outfits

DENVER, May 20.—Two important mutual benefit developments pave the way for strict regulation of these associations. The mutual benefit regulation bill has been sent to the governor. He is expected to sign it. It requires all associations to pay promised benefits in full, excepting that claims may be temporarily pro-rated for a six months period. If an association is unable to pay benefits in full after that time, it will be taken over by the state.

The second development is the upholding by the Colorado supreme court of the findings of the lower courts in the decision against the International Service Union Company and Colorado Non-Profit Corporation, holding in effect that mutual benefit companies will no longer be permitted to operate in Colorado as non-profit corporations.

Thomson Reviews Legislation

Gordon Thomson, vice-president West Coast Life, spoke at the quarterly meeting of the San Francisco C. L. U. chapter on national and state legislation.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

PROTECTS THE ENTIRE FAMILY

Home Life agents are equipped to serve every need for life insurance. Modern policies are issued, on both Industrial and Ordinary plans, from birth to 65 next birthday.

A POLICY FOR EVERY PURSE AND PURPOSE

Basil S. Walsh
PRESIDENT

Joseph L. Durkin
SECRETARY

John J. Gallagher
TREASURER

Independence Square

Philadelphia, Penna.

Are You Interested in Territory in—

- | | | |
|-----------------------------------|-----------------------------------|------------------------------------|
| <input type="checkbox"/> ILLINOIS | <input type="checkbox"/> KANSAS | <input type="checkbox"/> IOWA |
| <input type="checkbox"/> INDIANA | <input type="checkbox"/> MICHIGAN | <input type="checkbox"/> NEBRASKA |
| | | <input type="checkbox"/> MINNESOTA |

Check the territory, fill in the coupon, and return to

Name

Address

City and State

ROCKFORD LIFE INSURANCE CO.
Rockford, Illinois

LEGAL RESERVE FRATERNALS

Smrha Addresses Maccabees

Nebraska Insurance Director Discusses Benefits of High Ethical Level at State Convention

Director Smrha of the Nebraska department spoke for maintenance of a high ethical level, at the quadrennial state convention of the Maccabees. He said no insurance organization need fear honest criticism, but none is justified in expenditure of "hush money" because of fear of attacks by extortionists, hi-jackers or scavengers. Companies will be free of attack from these sources, he said, when they cease to supply the sinews of war which makes such attacks possible and profitable for racketeers.

"The high ethical level which the public has a right to expect from insurance organizations," he said, "can be maintained only when the insurance companies themselves determine upon a course which will accomplish that needed result. Close supervision is impossible. The companies select the agents who make their public contacts, and it is within their power to select only those who will write insurance right. They write their own contracts, which should be as understandable as possible. They exercise their own judgment in making investments. What the insurance business is to be, therefore, is almost wholly dependent upon what its executives want it to be."

"The business should be carried on in such manner as to place it on a higher plane than any other form of investment

offered to the public. One should be able to purchase insurance with the same feeling of security experienced when he buys government postage stamps. The need for the protection life insurance affords is so generally recognized that its very purposes are embodied in the social security act, which virtually makes compulsory what life insurance has been attempting to secure by voluntary means throughout the years."

High praise for the social security act was voiced by C. L. Briggs, of Detroit, recorder Maccabees. He said, however, that beneficiaries should be given more assurance that their pension checks will be received 30 or 40 years hence.

Lien Is Placed on Policies

Action Is Taken by the Chicago Fraternal Life—Report of Examination by Illinois

In connection with the petition of F. P. Bockstahler, formerly in charge of the real estate department of the Chicago Fraternal Life Association, a fraternal, at 333 West North avenue in that city, for a receiver, it is interesting to know that the Illinois department made an examination as of Dec. 31, last. Mr. Bockstahler and five other members of the "Supreme Conclave," a body elected by the members that in turn elects the directors, allege insolvency and mismanagement. This fraternal writes life, health and accident. It is charged that the Supreme Treasurer C. O. Kuehne is using part of the 4,000 acres of land in Florida that is reserved by the association for colonization by retired members, for grazing his cattle and pays nothing for its use. Other charges are that officers and directors diverted funds of more than \$10,000 for various personal schemes, that the board of directors is dominated by President Philip Steele. Furthermore the charge is made that Mr. Steele through political influence has been able to stave off any proceedings on part of the state insurance department. The petition alleges that the association has been insolvent since 1933.

The Illinois department in its report found that many of the real estate investments had gone sour and that the mortality ratio was heavy. Its assets as of Dec. 31, brought out in the report were \$1,625,232, reserve \$2,778,712, deficiency lien \$1,318,409, liabilities \$1,460,343. The department found that the deficiency lien that was ordered at the meeting of members, Dec. 20, 1933, was not sufficient and hence the amount was increased materially. The examiners figured that a deficiency lien of 55 percent was necessary to be placed against the net equity of the certificate holders on each adult policy and also on the funeral benefits of the accident and health policies. This is authorized in the by-laws as a method of special assessment. A lien is placed on the reserves rather than call on members for extra contributions in the way of an assessment. The expense fund showed a deficiency of \$47,136. The department in its comment stated that funds should not be used for expenses other than the expense fund itself.

It received from policyholders last year \$404,517 and its total income was \$537,547. It paid policyholders \$441,705 and the total disbursements were \$625,299. It had in force \$10,261,565. The lien bears interest at 6 percent. The department opines that the officers should further reduce expenses. They should liquidate the real estate and other non-income producing investments. The current income is not sufficient to pay current death claims and other obligations. The fraternal has had to liquidate its assets to meet such payments.

The high mortality ratio is largely due to the numerous fraternal that it has absorbed. They are the Daughters of Columbia, Chicago; Knights of Loyal Guard, Flint, Mich.; Order of White Cross, Joliet, Ill.; Southern Woodmen, Birmingham, Ala.; Lincoln Fraternal

Union, Litchfield, Ill.; Fraternal Order of Beavers, Philadelphia; Catholic Knights & Ladies of America, Louisville; Sons & Daughters of Justice, Topeka, Kan.; A. O. U. W. of Missouri; National Protective Life, Waverly, N. Y.; Knights & Ladies of Father Matthew, St. Louis; Golden Seal Association, Roxbury, N. Y. (health and accident only); Grand Guild of America, Chicago; National Safety Protection Association, Pittsburgh.

The department did not take any further action as the company even with the heavy lien is shown to be solvent and as long as it had voted to have the lien placed on the policies that satisfied the department. The department, however, acknowledges that it is in an unsatisfactory financial shape.

The application for receiver came up in the courts at Chicago Tuesday and was continued to May 26.

Cannon Arkansas Consul

W. H. Cannon of Little Rock, Ark., was elected state consul Modern Woodmen at the quadrennial state camp meeting. Frank Darmer, Augusta, was elected clerk, to succeed J. A. Thomas of Stamps, who has held the position for eight years. J. R. Holt, Pocahontas, and J. W. Griffin, El Dorado, were elected delegates to the national Modern Woodmen meeting in Chicago next month. Guy Williams, state fire marshal, reported activities of the insurance department in prohibiting operations in Arkansas by so-called "mail order" insurance companies, and M. A. Cobb of Hot Springs, former state manager Modern Woodmen, also spoke. E. A. Gwinner, Hot Springs, is state manager.

Utah Premium Tax Ruling

If fraternal sell only the types of insurance which the law permits them to sell, they are exempt from the 2 1/4 percent premium tax, Attorney-general Chez of Utah held in an opinion. If they exceed their authorization, the state tax commission can levy the premium tax on the unauthorized insurance, and the commissioner should be notified so action may be taken.

Pythian Sisters Election

Mrs. Myrtle Norman, Wichita Falls, Texas, was elected grand chief of the Pythian Sisters of Texas at the grand temple sessions in San Angelo. All officers were advanced a year ahead of schedule because of resignation of Mrs. Helen Gill of Longview as grand senior. Other officers include Mrs. Mabel Brown, Houston, two-year trustee, and Mrs. Maud Sneed, Fort Worth, state press correspondent.

Prospect Leads?

Lutheran Brotherhood field men need never be idle for lack of prospects. Our men have a selected field of operation. All Lutheran men, women and children are eligible for Brotherhood insurance.

Lutheran salesmen, for a greater field in selling, write

LUTHERAN BROTHERHOOD

LEGAL RESERVE LIFE INS.

Herman L. Ekern, President

Minneapolis

Minnesota

What Is Legal Reserve Fraternal Life Insurance?

(This is the fifth of a series of advertisements outlining briefly a few characteristics of this type of protection—points that may not be generally understood by the otherwise well informed and intelligent fraternity of life insurance executives and salesmen.)

5. Social activities and charitable work are made available for those members who wish to take part. Many fraternal operate homes for aged members or hospitals. Rapidly growing juvenile departments provide excellent opportunities for children to take part in lodge work and social events.

Like the record made by the legal reserve fraternal as a whole, it was never necessary for the Ben Hur Life Association to borrow money from the government or any other source to meet all cash demands.

BEN HUR LIFE ASSOCIATION

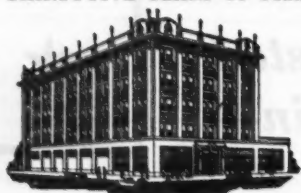
Established 1894

Home Office: Crawfordsville, Ind.

John C. Snyder,
President

Edwin M. Mason,
Secretary

THIRTY-FIVE YEARS OF FRATERNAL SERVICE AND ACHIEVEMENT



Our Own Home Office Building
a consistent growth since its organization in 1902 as a purely fraternal association, and now has

AID ASSOCIATION FOR

LUTHERANS

(Legal Reserve Life Insurance)

APPLETON, WISCONSIN

The Aid Association for Lutherans has enjoyed

\$172,249,019.00

Insurance in Force, with Total Assets of \$22,798,548.29

A REMARKABLE RECORD

Assets, Dec. 31, 1929.....	\$ 9,330,284.14
Assets, April 1, 1937.....	22,798,548.29
(Increase 144.35%)	
Insurance, Dec. 31, 1929.....	\$ 92,510,100.00
Insurance, April 1, 1937.....	172,249,019.00
(Increase 86.19%)	
During this period, the Association paid \$11,662,204.94 to certificate holders and beneficiaries.	

SALES IDEAS AND SUGGESTIONS

Insurance Is Needed for Stock Liquidation

In his discussion of "Life Insurance Stock Liquidation Trust Agreements" at the joint sales congress of the Columbia and Jefferson City Associations of Life Underwriters at the latter city, C. D. Cowdery, assistant trust officer Boatmen's National Bank, St. Louis, said:

"I am here to tell you some facts about life insurance stock liquidation trust agreements because experience has shown that an understanding of their proper use will enable you to sell more life insurance. You all know that the size of the average policy sold for the purpose of stock liquidation is far greater than that of the average policy sold merely to provide life insurance protection. A working knowledge of such liquidation agreements will enable you more effectively to meet the needs of prospects and policyholders who own substantial amounts of stock in close corporations, and thereby will increase the average size of the policies that you sell. We can unhesitatingly recommend the use of such agreements in proper cases because they form an important part of a plan to liquidate stock which is thoroughly sound. It is sound for the client, sound for the underwriter, and sound for the bank that serves as trustee."

"Through the presentation of a suitable life insurance stock liquidation trust agreement, this underwriter sold \$95,000 of insurance with annual premiums aggregating \$6,700 to men in this vicinity. Their agreement is now deposited in the trust department of our bank in St. Louis. This is now in operation and is in full force and effect."

Family Cooperation

"Here are the facts. A St. Louis underwriter called on the secretary of a corporation operated by four brothers, each of whom owned one-fourth of the outstanding stock of the company. These men and their families lived in a small town near a good sized city. Each of them carried \$15,000 to \$20,000 of personal insurance for the benefit of their respective families. Each of them felt that he had no need for additional life insurance because his family would receive, in addition to his insurance, a substantial estate worth about \$50,000."

"The underwriter knew that about 70 percent of each man's estate consisted of stock in their company which showed a profit of \$25,000 for the year. In good years, this profit would be greatly increased. Each stockholder was receiving a modest salary of \$200 per month which was adequate for the living expenses of his family, since each of them owned his home. In addition to their personal insurance, each of these men was insured for \$10,000 by their corporation, and these policies were payable to the company. What need did they have for more life insurance?"

"The first step in this underwriter's sale was to make a list of all of the facts in the case which were known to him. He then made a careful analysis of these facts and prepared definite recommendations to present to these stockholders. After doing this he invited them to meet him at his hotel room in the city adjoining their town and asked me to be present at the meeting, stating that these men needed a stock liquidation trust agreement and that I was to be there to answer questions as to its operation, after he had explained what it would do for them."

"He pointed out that upon the death of any of them, one-fourth of the stock in their corporation would pass into the

hands of a widow and minor children. He had previously read their wills and knew that each of them had left his estate to the members of his family in equal shares. He showed them the inevitable conflict of interests that would arise upon the death of one of them. The decedent's family would receive no salary from the company and must obtain an income from the stock in the form of dividends. For many years, the company had not paid dividends, each stockholder living on his salary and putting all corporation earnings back into the business. The survivors would wish to continue this policy, but would be unable to do so without depriving their brother's family of a suitable living. His family would contribute nothing to the success of the business, but would have a claim on one-fourth of the profits."

The survivors would want to be free to manage the corporation without interference from their brother's widow, or from anyone who might purchase her stock. They had had an active part in building their business enterprise and would naturally resent demands of a minority stockholder. They might have many legitimate reasons for not paying dividends, due to their efforts to expand their business or to build up its working capital. However, their refusal of unreasonable demands might be followed by a suit for a receivership, and such action might seriously injure their company, but they would be powerless to prevent it."

A minority stockholder might deliberately try to establish a nuisance value for his stock, and in many cases such a stockholder has succeeded, compelling the majority stockholders to pay an exorbitant price for his stock to protect their own investment. If the widow should sell her stock to a competing company, it might force the survivor to sell out or be ruined. The stock would depend entirely on the company's success, and if it should be unsuccessful he would lose her principal as well as her income. If the company were unwise manager, she might protest, but the surviving stockholders could outvote her three to one. Her only alternative would be to ask for a receiver to liquidate the company. The cost of litigation plus the losses invariably incurred by a forced liquidation would be ruinous and would wipe out the greater part of her capital."

Hard to Get Good Price

"Granted then that it would be best for the widow to sell the stock as soon as she could find a buyer, who would pay a fair price for it? The underwriter called attention to the fact that there was no quoted value for the stock and it had no actual market value. Those outside the corporation would not be interested in buying her stock except at a give-a-way price."

"The underwriter then told them that it would be well for them to arrange a plan that would eliminate all the uncertainties that confronted them and to make certain the purchase and sale of a decedent's stock in accordance with their wishes. This could be done through a properly drawn life insurance stock liquidation trust agreement. He then offered the suggestions for such an agreement which he and I had carefully worked out before coming to the meeting."

"The underwriter pointed out that a liquidation agreement, no matter how

fair its terms, will accomplish nothing unless the surviving stockholders will be able financially to carry out its provision. A certain amount of cash must be available or the agreement will fail. The most certain method of providing cash is through life insurance. Since each stockholder's interest in the company had a book value of approximately \$35,000, he recommended the purchase of at least \$20,000 additional insurance on each of the four stockholders."

Should Equal Stock Value

"One of them then asked me if we considered it necessary, under such an agreement, that the insurance on each man equal the value of his stock interest. I replied that it is possible to provide in the agreement if the insurance payable at the death of a stockholder is less than the value of his stock, that a substantial cash payment be made and the balance due on such stock be paid in installments over a limited period. However, it is better for a decedent's family if his stock can be liquidated promptly, and, since the survivors are anxious to get immediate possession of all outstanding stock, it had been our experience that it was more satisfactory for all concerned if the full value of the stock could be paid from the insurance proceeds. Without a substantial cash payment, a decedent's estate retains his interest in the corporation virtually intact, and the value of his estate will depend largely on the company's operations, the very situation which the decedent wished to avoid by his liquidation agreement."

Others Give Talks

"The question was asked if the corporation should buy the additional insurance. This question is of primary importance, and I shall discuss it briefly. In many cases, the corporation has bought the insurance and pays the annual premiums. When this is done, the policies become the assets and liabilities. This arrangement would dispense with a trust agreement since the policies could be made payable to the corporation itself. But this plan has disadvantages which it is well to consider and which lead to the conclusion that wherever possible, it is better for the stockholders to buy insurance individually on each other's lives, so that in effect, each of them that survives will receive the proceeds of insurance policies purchased by himself with which he pays for his share of a decedent's stock."

Other speakers included Adam Rosenthal, St. Louis, special agent Connecticut Mutual Life; L. B. Fink, assistant agency manager Equitable Life of New York, Kansas City; Governor L. C. Stark and Superintendent R. E. O'Malley of Missouri. Mr. Rosenthal discussed necessity of settlement options and Mr. Fink, the hopeful outlook engendered by the social security act.

Educational Effort Main Need of Veteran Agents

It is difficult for general agents, managers and their supervisors to keep the established older agents abreast of modern applications of life insurance, Elmer Grandson of the Zischke agency, Union Central in Chicago, told the Life Agency Supervisors of that city in leading discussion at the May meeting on "Supervision and Training of Established Agents." He said it is a problem to get them to do an adequate amount of reading life insurance publications and studying necessary reference books.

"Most of these older agents," Mr. Grandson said, "if they had devoted even 10 minutes each evening to study and reading would be authority."

Mr. Grandson said the task of bringing

SALES IDEAS OF THE WEEK

Life Men Need Action

Chester Fischer, vice-president, Massachusetts Mutual, was the speaker at the Providence, R. I., Life Underwriters Association meeting. He said he believed most men who failed at life insurance selling, did so for lack of action. They failed to act because they liked to sit, to take care of details, to tell about the few sales made, and disliked to move about, to encounter the unpleasant turn-downs and to stick to the main purpose of their visits. He urged that the impetus of Life Insurance Week should be used to start on the work of setting up correct work habits. Character traits rather than ability determine success or failure in the life insurance field, he concluded.

Fertile Field for Prospects

Definite proof that old policyowners, as a class, constitute a most fertile field of prospects for new life insurance is found in the experience of the Lincoln National Life for the first four months. During this period, the monthly lists of five leaders in paid business on old policyowners consistently dovetailed with the monthly lists of 20 leading personal producers. Over the entire period, only three leaders in policyowner business failed to qualify among the leaders in total paid production.

Opening New Territory

Successful results were obtained recently by George N. Adams, general agent Protective Life, Durham, N. C., by sending out introductory letters to 100 leading citizens. He told them he had just been appointed general agent and that he wished to sell them policies as a recommendation for future business. He followed up the letters and found the plan worked better than expected. A number of the leading citizens were willing to "buy money for future delivery" as their method of welcoming a company new to the territory.

the established agent to better production resolves itself mainly into proper educational effort, which he believes is a responsibility falling largely on agency management. He defines an established agent as one who has been making some sort of a living in the business for a number of years, but could not necessarily be termed successful.

Another problem with the older agents is maintenance of morale. The best way to keep up agency morale, he said, is for the agency head and his supervisors to maintain close contact with the agents and to be sincerely interested in their problems. The men need a pat on the back more when they are down than when the applications are coming in, but it is only human for agency heads to make heroes of those who are getting the breaks and writing good volume, and to become out of patience with the others.

However, Mr. Grandson did not counsel an agency policy of permitting non-producers to hang around indefinitely. He said entirely too much time is wasted on the dubs. They exercise a bad effect on morale of the other agents and should be weeded out quickly if it is apparent they are unsuited to the business and cannot fall in step.

E. C. Hintzpeter, associate manager, Hintzpeter agency Mutual Life of New York, and A. S. Ingersoll, assistant general agent Mutual Benefit, also spoke. B. H. Groves, assistant manager Travelers, presided.

Industrial Men Hold Convention

(CONTINUED FROM PAGE 3)

justify itself as a great constructive social influence to an extent more than any other business. It offers something that people have been taught to yearn for more than anything else and through life insurance private security becomes social security.

Banks, said Mr. Ramsey, are coming more and more to lend only for the early repayable needs of business and the insurance companies are the greatest reservoir of stored up wealth. His only fear for the future of life insurance is that through this condition life companies may be accused of throttling the economic life of the people.

Mr. Jacobs said the insurance field is predominantly altruistic and the job and responsibility of the agent is to explain problems of social security to individual citizens.

Agency Contracts Analyzed

Industrial agency contracts of 19 companies were analyzed by P. T. Stone, manager ordinary auditing department Durham Life. He found persistency was the major factor in basing the agent's

compensation on conservation, collections and debit condition. Six additional companies had no written contract. Eight of the 19 companies paid a definite weekly collection salary. Some of the companies used a "times" means of compensation in paying commissions on new business and others paid a straight commission.

Legal Section Meets

In the absence of P. M. Estes, chairman legal section, caused by illness of his wife, Mr. Finlay presided at that meeting. A prepared paper on problems arising from writing insurance on minors was read by I. O. Brady, general counsel Durham Life. There was considerable discussion on the punitive damage statutes of several states, particularly South Carolina's, which was explained by A. C. Tobias, Jr., counsel Carolina Life. An attempt will be made to secure a limitation on the amount of punitive damages which may be awarded. Although misrepresentation or fraud may be proved, it is no defense unless the application is made a part of the policy. A secretary will be selected by the chairman of the legal section and home offices will be encouraged to send their counsel to section meetings.

F. S. Norman, counsel First National Life, New Orleans, discussed a recent

Louisiana case in which a beneficiary presented a claim for extended insurance although the words "weekly term insurance" appeared in the policy. The court held, in deciding for the plaintiff, that a policy containing that phraseology couldn't be a level premium policy.

Mr. Estes was reelected section chairman.

G. R. Kendall, president Washington National, reported for the nominating committee, whose recommendations were approved.

The principal officers were reelected. Members of the executive committee are: F. P. Samford, chairman, president Liberty National Life, Birmingham; F. F. Leith, vice-president Peoples Life, Washington; J. M. Drake, president Empire Life & Accident, Indianapolis; H. T. Dobbs, vice-president Industrial Life & Health, Atlanta; W. N. Culp, chairman Southern Life & Health, Birmingham. Other committee members, by virtue of their position as past president of the conference, are: C. A. Craig, chairman National Life & Accident; P. M. Estes, general counsel Life & Casualty; J. R. Leal, secretary Interstate Life & Accident; E. T. Burr, actuary Durham Life; A. B. Langley, president Carolina Life, and P. W. Jones, secretary Bankers Health & Life.

The invitation to go to Jacksonville in 1938 was presented for the Jacksonville companies by T. T. Phillips, president Gulf Life.

Award Golf Trophies

Golf awards were made by Raymond Daniel, vice-president "Insurance Field," and J. R. Leal, secretary Interstate Life & Accident, to P. W. Jones, Bankers Health & Life, first low net; H. B. Belvin, auditor Home Security, second low net; C. P. Kendall, vice-president Washington National, first low gross, and W. N. Culp, chairman Southern Life & Health, second low gross. Bridge prizes were awarded Mrs. F. P. Samford, first; Mrs. J. H. McCary, second, and Mrs. W. N. Culp, third.

Telegrams were sent C. A. Craig, chairman National Life & Accident, who was prevented from attending by illness, and Mr. Estes. G. R. Kendall presented the memorial in honor of C. P. Orr, late president Southern Life & Health.

Take Up Double Indemnity

F. F. Leith, vice-president Peoples Life, Washington, D. C., gave the report of the committee on double indemnity prepared by G. W. Munford, vice-president Home Security. The report observed that 60 percent of double indemnity claims resulted from automobile accidents and concluded that the coverage should be written by casualty companies.

The report of the statistical committee was given by William Wallace, president Palmetto State Life. The 1936 figures were influenced considerably by the new companies admitted last year, principally by the American National.

Alva Lumpkin, chairman American United Life, Indianapolis, was guest speaker at the banquet. Many states, he said, levy a three percent tax on insurance premiums. Such a tax on savings deposits would have the people "on their ears and after their legislatures passing such legislation," he said. Mr. Lumpkin showed the confidence of the public in life insurance by mentioning the amazing amount of premiums collected in a number of southern states.

Answer to Question: "What Is Life Insurance Worth?"

(CONTINUED FROM PAGE 2)

so that policyholders would be better off if this system were abolished.

He objects to what he terms wasteful sales methods. He claims that selling is done under high pressure and that agents sell those policies where the remuneration to them is the greatest regardless of whether they can honestly recommend them to prospects.

Professor Berman then claims that the mortality tables that the companies

Promoted to Home Office of Mutual Life, New York



GEORGE A. PATTON

George A. Patton, who has been manager of the Mutual Life of New York at Columbus, O., and is one of its most successful men in that position, has now taken up his new post as superintendent of agencies at the head office. Mr. Patton started as a soliciting agent at Cincinnati. He has made an outstanding record.

use in computing reserves are antiquated. He claims that the mortality on the business written by the Massachusetts savings banks is more favorable than private companies. He objects to the methods of insurance salesmen claiming that many endowments are sold where a lower priced policy should have been recommended. He spends considerable time in talking about lapsation, especially during the first two years of a policy, stating that many people have to give up their policies because they cannot afford to keep up the premiums but they get nothing in return.

Wants a Federal Investigation

A rather unusual observation by Professor Berman is that life insurance only functions completely when a policy is terminated by death. He also claims that too high salaries are paid executives. He also complains of the high interest rates for policy loans. He condemns unjustified investments that came to light during the depression time. He declares that many of the larger companies are mutual only in name as they are operated by a small coterie of executives who get luscious positions for members of their families at exorbitant salaries. After listing all these complaints he suggests that there should be a federal investigation of life insurance.

Mr. Maclean then takes up all these points that have been mentioned and rebuts them showing where Professor Berman is wrong in his premises and therefore erroneous in his conclusions or is ignorant of the subject he is treating.

Gets Out Booklet

J. W. Ross, insurance counselor at Peoria, Ill., has got out his annual booklet on the Mutual Benefit Life single premium, 10-year endowment. He represents this company. The booklet was originally published some five or six years ago and has been well received by Mutual Benefit Life agents throughout the country.

It gives a complete setup and all computations necessary for presenting this class of business. The price is \$1. His address is 1007 Jefferson building.

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